# NEW TIMES

**Moscow doesn't pay pensions to its agents**

December 3 – 9, 1991

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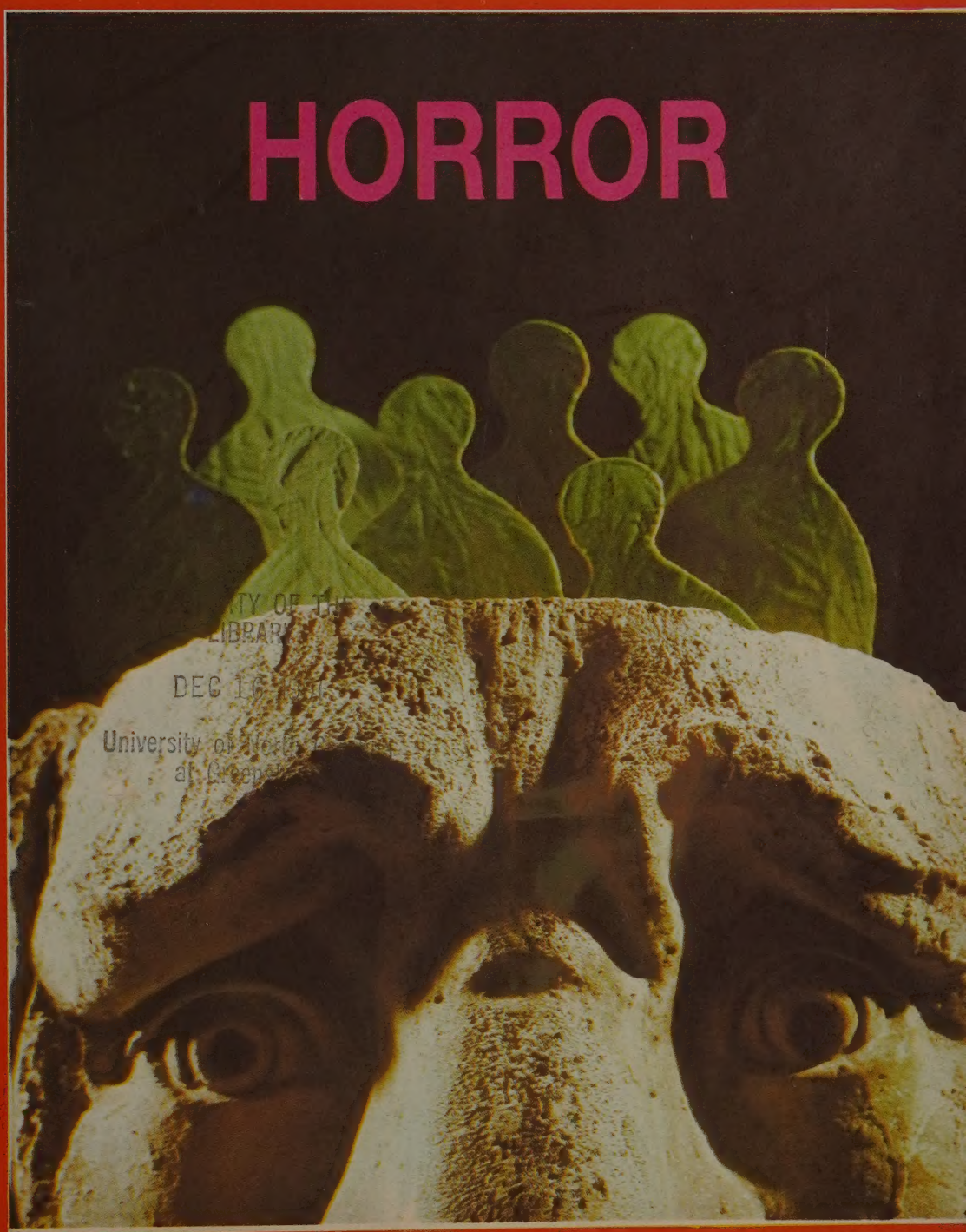


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A SOVIET WEEKLY

# NEW TIMES

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## NATION

POLITICAL LIFE *G.Sidorova* **TWICE MINISTER OF THE SOVIET UNION** 4

*B.Pankin* **"MY TIME..."** 8

ECONOMICS *E.Gaidar* **TOUGH MEASURES WILL BE NEEDED** 12

*A.Kireyev* **HAS EVERYTHING BEEN THOUGHT OUT?** 13

EMERGENCY *M.Shakina* **ON THE BRINK OF WAR** 16

## WORLD

SECURITY PROBLEMS *A.Arbatov* **HOW TO START A BROKEN CLOCK** 18

RUSSIA–GERMANY *D.Pogorzhelsky*

**GERMAN BUSINESS IS NOT IN A HURRY TO INVEST MONEY** 21

POLAND *R.Borecki* **THE END OF THE BLACK MARKET** 22

CZECHO-SLOVAKIA *I.Rudenko* **PROTEST ON VACLAV SQUARE** 24

*WORLD PAPER* IN *NEW TIMES* **THE END OF GEOGRAPHY?** 26

## THIRD BASKET

FROM THE COURTROOM *S.Sigachev*

**THE LEADER OF SOUTH OSSETIA IN THE DOCK** 30

PAST AND PRESENT *D.Sukhanov* **STALIN MOVED HIS FINGERS...** 32

SECRET SERVICES *V.Nikolsky*

**MOSCOW DOESN'T PAY PENSIONS TO ITS AGENTS** 35

LIFESTYLE *L.Mlechin* **HOW TO MAKE GOOD PROGRESS** 39

MANUSCRIPTS DO NOT BURN *A.Potresov* **THE ETHICS OF CANNIBALS** 42

ESSAY *M.Makin* **THE END OF BINARY OPPOSITIONS** 46

FROM OUR MAILBAG **(2),** PEOPLE **(44)**

*Cover by Victor Brel*

**The changing of the guards in Smolenskaya square**

p.4

**The interim results of the Balcerowicz plan**

p.22

**Why Malenkov didn't become Stalin's successor**

p.32

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# From our mailbag

■ The name of Patricio Arguello, a Nicaraguan terrorist killed by security men as he tried to hijack an Israeli plane (by order of the People's Liberation Front of Palestine), is mentioned by Leonid Mlechin in his article "Is it easy for women to kill?" (No. 47, 1991). But in 1983 your correspondent in Managua Vladimir Dolgov also wrote about Patricio Arguello whom he called a "great Sandinist revolutionary who fought and died for the liberation of his country from tyranny." It was the time when terrorists and killers were not infrequently called heroes...

**Alexei Sitnikov**
Moscow

■ In your issue No.44 I have read Inna Rudenko's article "Hecatomb?" about the new law adopted in Czecho-Slovakia. The law is directed against former Communists; and I think it would be useful to speak about this law in the context of the Russian reality. To ban former and present-day Communists' activities would be possible only if the entire Communist Party were declared a criminal organization, as was the case with the Nazis' party. I, for one, have no doubts that the CPSU should be proclaimed a criminal party.

But, even if the CPSU were recognized as an unlawful party, I would be against the law banning former Communists (i.e., those who left the party or were expelled from it **before the putsch**) from holding leading positions. The situation in Russia differs enourmously from that in Czecho-Slovakia, where in 1968 the Communist Party expelled all its honest members and became a party of collaborators and foreign agents. The CPSU, on the contrary, had a large number of decent and honest members in its ranks.

Not approving the policy of banning former CPSU officials from occuping leading positions, I would be equally careful of promoting these people to such posts (and not only to governmental posts, but also as regards political and mass social movements). Unfortunately, lots of former CPSU apparatchiks still occupy leading positions in various parts of the Russian Federation. And even if they sincerely support democracy, their old mentality and the force of habits they acquired under the totalitarian system will inevitably make themselves felt. Moreover, trying to leave their communist past behind and yearning to throw old principles and ideals overboard as soon as possible, they throw the baby out with the bath water and are prone to go to extremes.

Two or three years ago the public circles in this country came to the conclusion that factories and plants should be turned over to workers and land to peasants, so that the collective sector could compete with the capitalist one. But it appeared that it is not that easy to snatch plants, land and various institutions from party and government nomenclature and the military-industrial complex behind it. So the intelligentsia had to take yet another step, namely to start establishing joint-stock companies capitalist-style. Yet it transpired that the new owners of the most important industries are again the same military-industrial complex and the same apparatchiks.

Not long ago the Pope made public his new encyclical dedicated to the new processes unfolding in the world against the background of revolutions that occurred in East European countries. The Pope said in his address that although free market advantages are there for all to see, it does not mean that East European nations, which toppled their communist regimes, should follow the capitalist path. It was easy for the Pope to say this: he has never been a Communist, or a Marxist, and he is not afraid of being reproached as are many former party activists.

**Vadim Belotserkovsky**
Moscow

## Friends and admirers of Great Leader Kim Il Sung

■ Of late there have been many publications in our press about the real situation in the Democratic People's Republic of Korea, where people live and work under the leadership of Great Kim Il Sung. Soviet authorities more and more often now voice the desire to cooperate with Seoul. Yet, according to the DPRK mass media, Soviets greatly admire "North Korean people's successes in socialist construction." Soviet tourists (who, by the way, do not pay their own money for their visit to the DPRK) participate together with North Koreans in various meetings demanding an "end to American imperialism." Regrettably, it is not only rank-and-file Soviets who behave like that. For example, Vladimir Tolstikov, former first deputy chairman of the Soviet Afro-Asian Solidarity Committee, while in Pyongyang, gave a present to Kim Jong Il (Kim Il Sung's son) and wished the "beloved leader," as local journalists wrote, "to wisely guide the Korean and world revolution." Moreover, according to the Pyongyang press, Tolstikov said that "it is his cherished dream and honour" to heed Kim Jong Il's instructions. The magazine *Korea today* quotes former first secretary of the Khabarovsk territorial party committee S. Makarov as saying: "I have been profoundly impressed to observe all the achievements of the Korean socialist state." Gennady Zyuganov, former secretary of the Central Committee of the Russian Communist Party was also favourably impressed with the totalitarian regime in North Korea.

The delegation of Soviet Koreans who visited the DPRK in August took part, jointly with local citizens, in a "march for reunification." Seoul was to be the last stop of this march. It should be remembered, however, that Seoul is the capital or another state with which the USSR has established diplomatic relations. No wonder Seoul has regarded this fact as an attempt to interfere in South Korean internal affairs. And what is more, this took place during the attempted August coup in this

**Yesterday's revolutionary becomes a killer**

**What is permissible for the Pope is not allowed for a CC Secretary**

**Orphans may count on America**

I read with great interest Vladimir Voina's article "From orphanage to America," in which he informed his readers that "thousands of families in the United States would love to adopt a child from the Soviet Union." Many people willing to adopt a Soviet child wrote to Vladimir Voina asking him what agency they may apply to in the USSR. But Voina could not answer those people because there is no such organization in this country. Fortunately, there is an organization tackling such questions in the United States, a representative of which I have recently had an opportunity to speak with. As a result, it was recommended that I work out our preliminary recommendations for future cooperation in this field.

If you are interested, please contact me:
252033, Kiev, USSR, a/ya 926, tel.: 220-4955.

**Mikhail Feldman**
Kiev

■ I want to thank you for Valery Savitsky's interview (No. 42, 1991). Though my family does not subscribe to your magazine (for two reasons: first, "cash down" and, second, poor postal services), we regularly buy and read *New Times*.

Of late, especially after the *Der Spiegel* publication in connection with the on-going investigation of the August putsch plotters, there appeared a lot of materials in our press. Often very contradictory, these numerous publications only disoriented readers and added to their confusion. I also had constant arguments with my sons. But Savitsky's (the lawyer I respect very much) interview clarified everything. Moreover, his interview was published at a good time, since the difference of opinion expressed in various newspapers as regards legal, moral and other assessments of the course of the proceedings, the conditions under which those under investigation are kept, and information leak reached its high.

**V.Bogdanov**
Kiev

■ I would like to express my opinion which is different from that of the ambassador of the State of Quwait (No. 44, 1991) with respect to Dmitry Zgersky's article "The legends of Zionism."

I regard the call for the annulment of UN Resolution No.3379, where Zionism is being identified with racism, in a different light. I would like to explain. This resolution is of no importance either to Israel or to Zionists. Why then is this resolution so heatedly discussed now? As is known, the US President has refused to give any guarantees for a huge loan to Israel. As a result (and it is a common practice), the US President is now called an anti-Semite. When James Baker was in Jerusalem, tomatoes were thrown at him by his "welcoming" hosts. The relations between the US administration and the pro-Israeli lobby have gradually deteriorated, which is not to the former's advantage. To get rid of this unpopular label, George Bush has put forward the above-mentioned initiative...

I am of the opinion that the resolution will not be annuled in the near future, since the Middle East knot cannot be untied that soon. Besides, it is better to eliminate the cause rather than fight the consequences. I vote for the abrogation of the resolution and advise the Arabs to take a similar stand (it might help them in future negotiations).

**S.Poleshchuk**
Moscow

## THE WAY I SEE IT

*Drawing by Victor Bogorad*

country which, I presume, Pyongyang enthusiastically welcomed...

**Sergei Makarov**
St.Petersburg

* * *

■ Having read Canadian political scientist Ilya Gerol's article "Glory to Father and Son..." (No. 41, 1991), I cannot but ask you a question: how long will your magazine publish fairy-tales? Thank God that President Kim Il Sung is in good health and bless chuchae ideas which help a Korean professor to so sincerely love the head of his state. Such people deserve nothing but respect. North Koreans want to live a peaceful life. And North Korea people's desire to protect themselves with nuclear arms (the same weapon South Korea is threatening it with) is only natural.

"In a few years Kim Il Sung will not be able to frighten us any more," says dissident Kim Dae Jung. But this will never happen! The North Korean army has no need to be frightening, for it is strong as it is – and mostly due to its ideological conviction.

If the communist dynasty is good enough for the Korean people, why shouldn't they have it? I think that good people live in the DPRK, and the ideology they espouse is also good. And I cannot understand why we in this country must lick the boots of Japan and South Korea.

Marshal Kim Il Sung will never start a war: he is too wise and strong. But he would be able to retaliate if the need arose.

I was recently in Leningrad (St. Petersburg): endless queues for bread and milk, elder people stock dried bread. Bearing all this in mind it is very strange that we do not like what is going on in the DPRK! "It is terrible," we say. "The Koreans do not want democracy!" Let them live as they want. Long live the chuchae ideas!

**Sergei Shustrov**
Murmansk Region

***Compiled by***
**Tatiana Chernova**

# Twice minister of the Soviet Union

*Galina Sidorova,*
*New Times* political analyst

At the height of the Moscow putsch the US Secretary of State did what he practically had never done before. Though in line with the established practice of Soviet-American relations, James Baker usually telephoned his Moscow counterpart, this time he telephoned the Soviet ambassador in Washington to ask him whether the USSR generally had a foreign minister. The panic-stricken ambassador rushed to discover where Alexander Bessmertnykh, who had taken sick, was.

A couple of months later I was told by an associate of German Federal Chancellor Helmut Kohl that the latter put a somewhat similar question to Mikhail Gorbachev. What he wanted to know was whether we would have somebody they could trust and rely upon.

By now the Soviet leader has resolved that matter. But other questions arise. Why he did ask Eduard Shevardnadze to take over and why did the latter accept the offer?

After all, the intricate relationship between these two crucial figures in Soviet politics, whose perennial co-operation subsequently transmuted into mute confrontation, left its imprint on many recent developments. Eduard Shevardnadze, who had somehow broadened the confines to which the Soviet system constrained its leaders was one of the few in the top echelon who preferred to be inwardly free. Meanwhile Mikhail Gorbachev, on the other hand, was still straightlaced. The logic of developments and his own political choice brought one to the barricades and the other to Foros. Are they again together today?

## The Gorby factor

On January 15, 1991, when introducing Alexander Bessmertnykh as the new minister at the MFA Collegium Mikhail Gorbachev, while noting Shevardnadze's contribution to foreign policy, could not hide his hurt feelings. "I," the President said, "will never forgive you, Eduard, for not warning me that you were going to retire." "Really never?" Shevardnadze returned with a grin, evidently hoping to impart a more facetious note to the President's remark. "Never," Gorbachev repeated in all seriousness.

Over the many months that have elapsed since, they virtually never talked to one another. There were times when Eduard Shevardnadze who reacted so painfully to everything that had taken place in the country before last August, bitterly noted in my presence: "I do not trust him." But when the putsch erupted he anguishingly wondered from the very outset whether Gorbachev had known anything about the plotted coup.

Though the President doubtlessly sensed his longtime comrade's mistrust and was aware of his public pronouncements, nevertheless he contacted Shevardnadze at once after the abortive August coup asking him to again take an active part in political life and join the new Security Council. As for the option of taking over as foreign minister, Ivan Silayev, at the time the Russian Federation Prime Minister who captained the interrepublican Economics Committee, was among the first to raise this issue with Shevardnadze.

Though Shevardnadze wavered, eventually he promised MFA people that he would accept the job if it were officially offered him. I still remember how at about 8 p.m. on August 28, when with Shevardnadze's immediate associates we were leaving his Foreign Policy Association, we knew that though he was still thinking over the matter, he had already come to the conclusion that he would go back to the MFA building on Smolenskaya Square. He had been talking with the President earlier and was almost sure that Gorbachev would put the offer the next day. As a matter of fact newsmen were already sure he would be minister. However, from the evening newscast about an hour later he learned that the President had appointed Boris Pankin the new foreign minister.

Bewilderment was dispersed on August 29, when at 3.30 p.m. Mikhail Gorbachev telephoned him and asked to come to the Kremlin to discuss the option of Security Council membership, which actually implied the job of a minister without portfolio. Shevardnadze was angry, noting that nothing serious could be discussed in the matter of a few minutes. At any rate he left his Association five minutes later, with the firm resolve of declining the offer. Meanwhile we sat down by the TV set in expectation of a live broadcast from the Kremlin.

However, but 30 minutes later, before Mikhail Gorbachev appeared on the screen, Shevardnadze, gloomy-faced, entered the room and told us that he had refused the job. He then walked into his study, but not before asking us to listen to

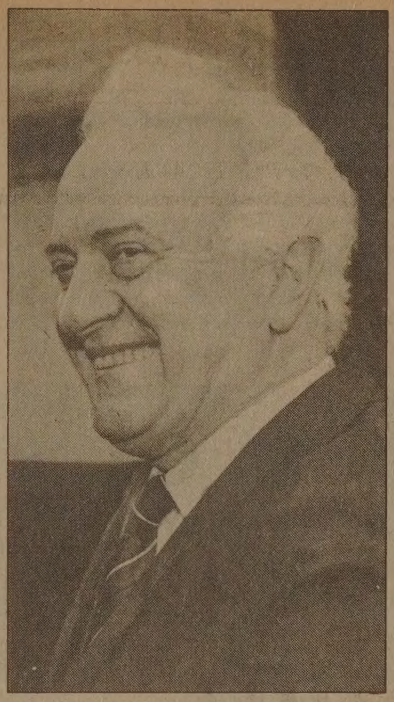
the Supreme Soviet hearings. There Gorbachev read out the list, naming Shevardnadze as a candidate "with whom he had yet to discuss the matter." Seizing upon various pretexts the pre-putsch convocation MPs went hammer and tongs against the list and generally opposed the idea of a Security Council. However, Gorbachev again read out the list only to drop as it were in passing that he had already deleted Shevardnadze's name.

What then stood in the way of Shevardnadze's return to the MFA? After all at the time most political analysts believed him to be the only worthwhile personality capable not only of restraining foreign policy from runaway desintegration, but even of elevating national prestige.

## Yeltsin

In August it was rumoured that Boris Yeltsin had contributed to Shevardnadze's non-appointment supposedly finding it more suitable to have a USSR Minister who would act as a foil placing the Russian Federation's independent foreign policy in a more favourable light. However, I do not think these rumours had any foundation. Rather was it that at the moment the Russian Federation President was too greatly occupied with the unrest within his own domain and the need to relieve Gorbachev of some of his powers. Actually the entire matter hinged upon Gorbachev, tormented by contradictory feelings. Though he indeed thought Shevardnadze's return possible, deep down the old hurts were still there. Moreover, foreign policy was the only sphere in which Gorbachev still hoped to posture. Hence, the candidacy of the heroic ambassador Boris Pankin came in most handy, as, moreover, it was supported by Alexander Yakovlev, while the Russian Federation had no objection. This unexpectedly generated the opportunity of not only resolving the issue, but of giving the intransigent Shevardnadze a dressing down.

However, three months later Gorbachev realized that he had miscalculated. Whereas the putsch had jeopardized political matters, by now they were already a complete wreck, while foreign policy, which for long had served as a lifebelt, was also sinking. Contributing to the disaster was that line of confrontation, which the central MFA had adopted with respect to its republican counterparts. Though understandably now and again republican intentions transcend rational limitations and are detrimental to both them and the common cause, after all said and done these republics are sovereign states by now and the current situation requires that Union structures approach matters in a most tactful way. Yet, when the Byelorussian Foreign Minister hinted in New York that he would like to have his representatives attend disarmament discussions with the Americans,



# Eduard Shevardnadze is back. But what will the ministry be like now? And what will remain of the Soviet Union?

Boris Pankin retorted: "We don't need representatives, we need experts." An official spokesman for the Russian MFA told me Pankin had said the same, when the Russian MFA wanted its diplomats to be incorporated in the Soviet team at the Middle East conference. The duel between the Russian Federation and Union MFAs erupted into an outright fight, which began to tell on the attitude of foreign partners to both central and republican authorities. While the Union MFA anticipated sweeping personnel reductions, the Russian MFA girded itself for more fighting against the central structure.

At this moment the Yeltsin factor coupled with the Gorbachev factor produced a positive result. Yeltsin soon realized the catastrophic consequences continued positional "warfare" would have. He saw that the sweeping disintegration of foreign policy, which had always been a factor for stability was fraught with unpredictable consequences and obstructed focussing efforts on priorities at home. Which meant that at the given juncture the Russian Federation would profit from a strong Union minister who would be a past-master at compromise and enjoy Western trust.

Gorbachev in turn also realized that he too needed a life-saver in the form of Shevardnadze's personal prestige.

## London was first to know

The two have been seeing one another of late. Thus Shevardnadze was made a member of the President's Advisory Board, and was appointed to lead the delegation to the talks with Lithuania.

Subsequently, by early November Gorbachev seemed to have made up his mind. He telephoned Shevardnadze and asked him to give thought to returning to the MFA. Shevardnadze promised to think the matter over. Then came a pause, during which the State Council decided to reorganize the MFA into the Ministry of External Relations, provided it also undertook to discharge economic functions and to reduce staff by 30 percent.

The said pause lengthened, engendering rumours that there might be sundry personnel reshuffles both on Smolenskaya Square and on Staraya Square, where the Russian Federation MFA was temporarily headquartered.

At about 8 p.m. on November 18 the President telephoned Shevardnadze and at 11 a.m. on the following day the latter left for the Kremlin, where he had a confidential chat with the President. The decision was taken and the President offered Boris Pankin the job of State Councillor. However, Pankin preferred to be reappointed ambassador, this time to London. Upon which Gorbachev telephoned John Major, thereby enabling London to learn first about the Moscow reshuffle. The Soviet President told the British Prime Minister that he wanted to reappoint Shevardnadze foreign minister and that it would be a good thing were the British to accept Pankin as ambassador. John Major replied that it was necessary to notify the Queen and receive Her Majesty's consent, which would take some time. The Soviet President then said he would very much like to simultaneously announce the two appointments. The Queen's consent was received a quarter of an hour later.

As the relevant presidential decree was announced in a TV newscast several hours later, only then did we here in Moscow learn that Eduard Shevardnadze had been reappointed foreign minister.

Had Shevardnadze prior to that retired from the political scene?

*Pro forma* yes, *de facto* no. All VIPs

visiting Moscow took it for granted that they would meet Shevardnadze either at home or at his Foreign Policy Association. This, mind you, was more than to pay tribute to a well-known political figure, who had shown himself to be a true democrat in the most awkward of situations. Indeed, in his five and a half years as foreign minister, Shevardnadze, though not a career diplomat, had become a pundit in international affairs. Politicians visited him to ask his advice. His opinions were heeded and he was trusted.

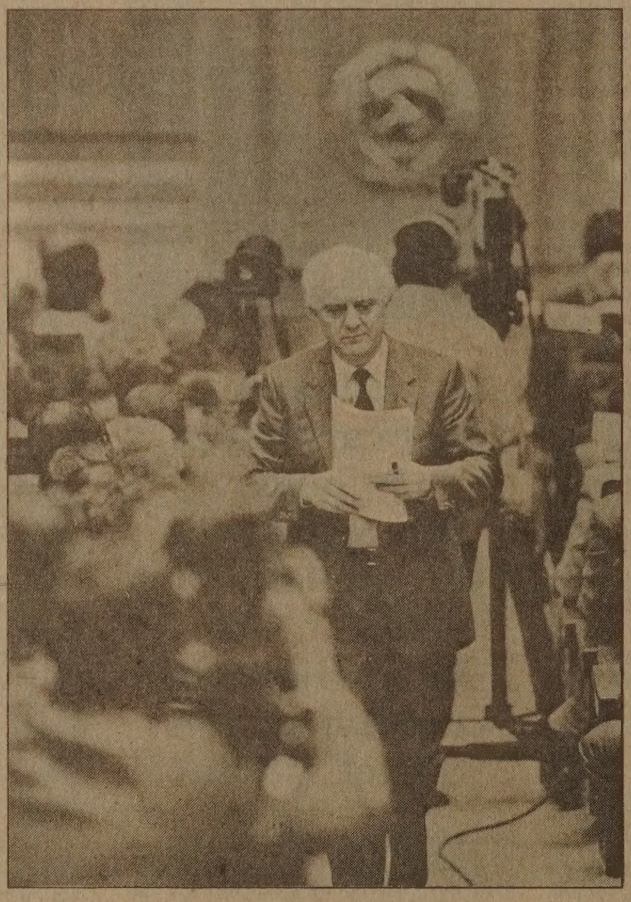
## Future presidential candidate?

Association personnel called Shevardnadze "the minsiter" behind his back. Foreign newsmen, besieging his unassuming headquarters in Yelizarova Street did likewise. His lecture tour in the USA and Europe was a spectacular success. It appeared as if the interest he aroused was not abating, which would have been only natural, but, on the contrary, was growing.

I feel I must recollect what happened during the Alexander Bessmertnykh visit to Bonn. It suddenly transpired that Shevardnadze would be coming to Germany for one day for the official presentation of his book. However, as Hans Dietrich Genscher had a full programme for that particular day, whether he would meet Shevardnadze or not was open to question.

With Nikita Zholkver, then our journal's Bonn correspondent, and the celebrated TASS photographer Eduard Pesov, we as first to learn exactly where they were going to meet and when, whiled away the time from 7.30 a.m. on by a pigsty in the neighbourhood of the German Foreign Minsiter's guesthouse. Some 30-40 minutes later the Germans graciously condescended to let us take up our post by the entrance and subsequently even invited us in. Shevardnadze arrived at about 9 a.m. and had a 45-minute-long conversation with Genscher. At 10 a.m. the latter left for his Foreign Office for talks with Bessmertnykh.

During his Moscow visit in September James Baker met Shevardnadze at the headquarters of the Movement for Democratic Reform. Hardly had they ended their discussions, when newsmen bombarded them with sundry questions. When one reporter employed the "ex" epithet Shevardnadze laughingly played this down by saying that this was not a very good word to use. Reporters immediately pricked up their ears and asked: "Are you not shunning the responsibility in some sense by remaining in the shadow? Would it not be worthwhile for you to be more active? For instance to head the opposition or run at elections?" To which Shevardnadze replied: "At this present moment I am wholly dedicated to the creation of the Democratic Movement which might later become a party. The main thing now is to establish united democratic community throughout the Union, and I will thank my lucky stars if I'm able to do something useful and concrete in that respect." Still, the newsmen persisted: "What about running for presidency?" Shevardnadze replied: "No, but let us wait and see." At this point US Secretary of State James Baker immediately rejoined: "May it be noted for history's sake that I address Shevardnadze as a great democrat with a lower case 'D'?" (Generally speaking, a Democrat with capital "D" implies a candidate from the US Democratic Party – **G.S.**)



**At the Congress of USSR People's Deputies on December 20, 1990. Shevardnadze walks out to keep faith with himslelf and his policy**

## In a ministerial capacity

Some eleven months ago I was one of the last "outsiders" to see Shevardnadze in his 7th-floor room on Smolenskaya Square. On the morning of November 20 we agreed I would be his last visitor on the very first day of his return. I must say I had to wait until 10 p.m.

It was the same room with the same owner. True his face was more worried and weary. The stormy developments of previous months had left their imprint. I mean the knotty relations with the Georgian leadership, who had actually ex-communicated him, the feelings experienced over the manifest errors of the democrats, who were overindulging in their power game, and his not infrequent futile efforts to get going a democratic movement attended by the realization that every new structure in this country somehow manages to reproduce the worst aspects of former structures.

My first question was:

"Which was harder, to go or to return?"

"To return."

"Why so?"

"The times are more complex now. I have made my choice. My moral and ethical principles did not allow me to decline."

"Have you ever regretted the decision you took last December?"

"Never. I think I did the right thing. I might be exaggerating, but I believe that objectively my resignation stirred up public opinion, served to rally the democratic forces, and halted the onslaught of reaction."

"Would you compare your present task with what faced you in 1985 when you first came to this room?"

"It was not that simple then either. I faced an unfamiliar job. However, at the time foreign policy had a more reliable backup. I felt that support especially at the beginning. By now much has changed. Internationally I do not perceive any particular complexities. The problem is that the situation at home nowadays is more than unstable. It is crisis and at such a juncture the

Minister of External Relations is not to be envied."

"Was the offer to come back profferred by Gorbachev, Yeltsin or a broader group?"

"I think views dovetailed. I find it hard to say exactly who first raised the issue. As far as I am concerned, I first talked with Mikhail Gorbachev who sought to elucidate my view. At the time I did not furnish any final answer. Subsequently, I learned, he had consultations with Yeltsin, Yakovlev, and republican Pesidents and had got their support. But before replying I had consultations with Yeltsin and it appeared to me that he was enthusiastic. He said it would be the right thing to do, and pledged his support in practical work."

"But is there any of that work today? Is there a Soviet foreign policy or has it already broken down into the 12 foreign policies of the sovereign republics?"

"The very process quite obviously calls for a totally novel approach. We will need to develop a totally new methodological attitude and technique for shaping foreign policy. The republican departments and the central office will cooperate on an equal footing in this thorny process. I think that if we are tactful and sensible we shall be able to evolve rational decisions. I regard as the priority the interests of those sovereign states that will want to join the Union. Economic policy will feature prominently in the activity of the Minsitry of External Relations. As a matter of fact, if not for that, I might have not agreed to return. I trust that the certain amount of creditibility the world still has will enable me, at least to some extent, to help my compatriots overcome the misfortunes that have now befallen us."

"What will you start out with as minsiter?"

"I have called off all trips abroad. What I want to do first of all is to visit the capitals of the different republics to meet their Presidents and my counterparts in order to discuss the situation as it stands in the field of foreign policy and to borrow everything that the people, who are going to collaborate with us in shaping the new policy, will suggest."

"What do you see as the coordinating role of the central foreign policy office? Thus, as far as I know at the latest meeting of the Foreign Minsiter Council, the Ukrainian representative said his republic had no intention of participating in any coordinating agencies unless this concerned a share-out."

"But that is exactly what the art of policy shaping should really be, one of taking into consideration the interests of all the sovereign states that recognize us. Time and patience are called for. Then they might came to realize that a commonly evolved policy may better accord with the interests of the individual republics than one that is shaped separately. We have got to organize the work of the central ministry so that a need be felt for our recommendations and expertise. We have no thought of bringing pressure to bear or of thrusting our views on others. I hope we shall be able to build up an atmosphere, wherein cooperation would be gratifying."

"Now let's imagine that the republics would want to open up their own embassies."

"We may expect that and shall calmly react, consider the matter, and conjointly decide the issue."

"Large personnel cuts in the MER are forthcoming. Are you sure you will be able to sensibly distribute staff among the republican MFAs?"

"We shall discuss this issue with republican leaders. The problem is not only one of a personnel reduction. We fear that people will simply scatter and join commercial structures. Good professionals are in great demand nowadays, and we must preserve that potential. We plan to set up in Moscow a school and research centre on the basis of what we already have. Given a desire thereto all the republics may send their own people to study with us which will also include managerial training. After all, it is rather hard to create the proper conditions for that in each individual republic."

"Have you given any thought to what the future will imply for the Democratic Movement and your Foreign Policy Association?"

"It goes without saying that it will be hard to combine all that. I would like the Association to continue. As far as the Movement is concerned, I hope to bring matters to a convention. We already have 70 regional centres which is quite a lot. I hope this convention, which we plan for mid-December, will come off well."

"Do you see yourself in your present capacity and also in the State Council as a spokesman for the Movement?"

"Though I wasn't invited as a spokesman for the Movement I am naturally indebted to it, and will do all in my power to turn it into a serious political factor."

"How will talks with Lithuania proceed now?"

"On the one hand, the Heavens above now command me to conduct these talks, but, on the other hand, my new duties will occupy very much of my time, and hence I do not really know whether I will be physically capable of coping."

"Does the circumstance that you are again in this room today mean that you have rejoined the Gorbachev team?"

"What this team implies at a stage when sovereign states are emerging may be taken differently. Thus, will it incorporate the presidents of the sovereign states that sign the Union Treaty? Yes, provided we view the State Council as a team. However, I think the epithet is unsuited, as it does not adequately reflect the substance of sovereignty and independence. For that reason, I fear it. But as for the president's entourage, I shall be at his elbow and will be a member of his team, if you wish to employ that term. After all, we have known each other for some 30 years, have pulled together, and there have been all kinds of things, especially in connection with my resignation, various complications and various comments from both him and me. Now that is all of secondary significance."

"How did the family take your return?"

"Grudgingly."

"Don't you feel frightened? Don't you feel you have set foot on a sinking ship?"

"I do feel that. I'd say I'm running a certain risk. After all, I've already been in a ministerial capacity and enjoy a certain reputation at home and abroad. Suppose nothing comes of it? It is of course rather risky. And regarding my personal interests, let me tell you straight from the shoulder, that it would have been better for me to go on doing what I did before."

* * *

By his return Eduard Shevardnadze has demonstrated that he has no intention of shunning the responsibility. I think his decision has shown him to be accustomed to challenges. Generally, it would be only natural to note that no true politician could live long outside of active politics. However, of late the risk he has assumed as a politician is still more obvious. Even our Western partners who have so closely studied us fail to fully realize how deep the economic and political crisis is. Today they have pinned their hopes on Shevardnadze. But he is no wizard.

Over the previous year Eduard Shevardnadze has learned to shape politics "without a portfolio." Today he has had an empty portfolio put in his hands, one that is without a country and without a policy. He knows that.

*Photos by Eduard Pesov and Boris Kaufman*

# "My time..."

## Boris Pankin's almost one hundred days

We are old friends, Boris Pankin and I. We studied together at Moscow University and then were colleagues at *Komsomolskaya Pravda*. This is why my meeting with Boris Pankin shortly after his appointment as Ambassador Extraordinary and Plenipotentiary to the United Kingdom and member of the Political Consultative Council under the Soviet President came so naturally.

**He did not serve out the full one hundred days as Soviet Foreign Minister because of another top-level reshuffle, but the days he was in office were characterized by unprecedented foreign political dynamism and personal drama**

**Boris Pankin.** Actually, I have just realized that I was in office for less than one hundred days. However, for me these days were packed with more events than used to occur in years...

**Vitaly Ganyushkin.** Your unexpected appointment as Soviet Foreign Minister caused something of a shock in Soviet and foreign media. In all stages of your career you were known as a man who had his own vision. When you worked as Soviet Ambassador to Sweden and Czecho-Slovakia your foreign political initiatives were in line with, if not as little bit ahead of, the general policy of new thinking. Have you experienced what the political struggle is all about?

**B.P.** That's what we have in abundance. Actually, even after the President offered me the post of Foreign Minister, I allowed myself some time to think over the offer: I was well aware of the tremendous responsibility I was about to assume.

Now, assessing those one hundred days, I see that I made the right choice... Yury Trifonov, one of my favourite writers, once said that every dog had its time to bark. It is now my time and I am barking. It may sound a little bit too figurative, of course. I hope that I am not the only one who has managed to preserve the spirit of healthy dissidence which we shared at *Komsomolskaya Pravda*. That must be why, like other people in situations similar to mine, I was regarded as an alien by some of the people in the diplomatic service. If this is really so, I do not have any regrets about remaining what I had been.

**V.G.** You don't seem to have changed even after getting to high places. Could you tell me to what extent you've managed to implement that subjective factor you've just mentioned in your work as Foreign Minister? It seems to me that your one hundred days in office have hot received the coverage they deserve, although as far as foreign political initiatives are concerned these one hundred days have seen more of them than many previous years.

**B.P.** Naturally, the sacramental "subjective factor" is a very subtle matter. However, the objective assessments of my short but turbulent term as Foreign Minister have also been voiced – first and foremost by the President both in a private conversation with me and at the ceremony at the Foreign Ministry. I have been included in the Political Consultative Committee under the President of the USSR. I said in this connection that I regarded the privilege of sitting on that Council not only as a reward for my past services...

Now about what you call diplomatic activity. We started our efforts by first drawing a list of priority problems which had to be solved after the fall of all kinds of curtains and walls.

It was my long-term programme which I was determined to carry out. Later my registry of problems helped me to establish relations of confidence with my American colleagues, particulaly James Baker. During my first personal meeting with Baker I enumerated the problems I had listed as priority ones. It was obvious that Baker did not expect me to make such a sincere and "undiplomatic" step. This helped us to create a fabric of free and informal relations with each other, especially as the programme I suggested vastly corres-

ponded to the aspirations of the American side as well."

**V.G.** The first difficult foreign political problem you had to solve appeared in what used to be the Soviet Union. By the time you were appointed Foreign Minister the problem of the Baltic states had already acquired international significance.

**B.P.** Indeed, we had to start with solving the Baltic issue. It would have been difficult to move forward had we not crossed that threshold. By that time about fifty foreign countries had recognized the Baltics. We were obviously lagging behind and our attitude to the problem was rather controversial. I wrote a memorandum to the President containing a draft decree on the recognition of the Baltic states. The State Council of the USSR was divided on the issue, but the decisive role was played by Mikhail Gorbachev and Boris Yeltsin who realized the necessity of recognizing the Baltics.

In some situations we had no choice but to display certain disobedience. Our decisions concerning the Middle East were made amidst a storm of accusations of our following in the wake of US policies. As is known, the heart of the problem was the restoration of diplomatic relations with Israel. We agreed to annouce the restoration of relations three days before the official opening time of the Madrid peace conference. During my trip to Israel, however, it became evident that the whole settlement process would be slowed down and the Madrid meeting itself would be endangered without the immediate restoration of relations with Israel. There was no time to consult anyone and we made the decision at our own risk. As a result, our arguments were accepted and the recognition of Israel was approved.

I felt that it was indeed my time to bark. I did not have to look back every time I wanted to do anything, I was not connected with any groups or clans, I was not tied by any dogmas. The most important thing was that there were no consultative structures or mechanisms above me – I had direct access to the president and the presidential team, the people whose views I fully shared from the very start. What my opponents considered my disadvantage (after all, I was an alien in the diplomatic service) became an advantage.

I am convinced, and this conviction has only been strengthened by the experience of personal communication, that Mikhail Gorbachev is a unique personality. When I think of him, I always remember the expression of one of the great writers who called Mozart "the flute of time." Time itself found its expression in Mozart's incomparable music. Sinyavsky also applied this simile to Pushkin. To accumulate the aspirations and imperatives of time and transform them into one's own powerful impulses isn't this the predestination of any great political leader?

Is it easy to be a Gorbachev? Living under unending pressure from all directions, he still manages to remain what he is – not only the president, but also the man – without rejecting or causing confrontation between those people whom I could describe as "agents of influence" in the positive sense of the expression. If he makes a decision, even under pressure from people and circumstances, it is always his personal decision, not a concession to somebody else's will. In one situation I tried to push my initiative too far and I met with Gorbachev's half-serious, half-joking warning: "You are starting to pressurize me." I understood that I was about to intrude in the region where Gorbachev is the only one who makes decisions...

On the whole, as I have already said, the situation was ideal for me and I decided to make use of it. In addition to purely diplomatic successes, I value even more the ideological shifts which I was able to achieve under the President's aegis.

Let us take the Moscow CSCE Conference on the Human Dimension. When the idea to convene that conference in Moscow was first advanced, it was not enthusiastically accepted at once: the opponents said the situation in the country was too difficult to hold any international forums or to speak of human rights. It was the thing I started with as Foreign Minister, shortly before the Congress of People's Deputies of the USSR. I proceeded from the conviction that in the context of a critical situation we had to show that we were still alive, that the Soviet Union was still able to change despite all difficulties, to say nothing of the USSR's looking for ways into the civilized international family. The President accepted these arguments and gave a green light to our plans, after that we informed the ambassadors and started preparing the conference. The conference evoked a controversial response from the press. It is clear to me, however, that the main qualitative result of the conference as far as we are concerned was the triumph of the formula: human rights and interests of the individual are above the principle of non-interference in internal affairs, the principle which we have exploited for many Soviet decades to cover up our dirtiest deeds.

On the other hand, that same principle had to be defended as a positive factor in a different situation. I do not think anyone will dispute that we have witnessed a radical transformation of relations with the former socialist countries of Eastern Europe. Until very recently the Brezhnev principle of limited sovereignty of socialist countries continued to be the foundation of the Soviet Union's relations with those countries in various new forms, like the Kvitsinsky doctrine for instance. When I worked in Prague I had a chance to see how unacceptable this course was for former "fraternal socialist countries." Meanwhile, the initial draft documents contained a provision concerning those countries' right to enter alliances with third countries aimed against the other party. It was after much effort that we finally arrived at the civilized variant of the document recently initialled with Czecho-Slovakia.

**V.G.** I understand the word civilized as humanistic. In our domestic policies political considerations and interests of the state always prevailed over the rights and interests of the individual. What do you think about the turn towards the priority of humanitarian values in international affairs?

**B.P.** I think that it is only normal for anyone whose thinking is not infected by the paranoia of the class approach and similar dogmas which have been poisoning our life for decades. It is only on the basis of shared humanitarian values that we can communicate with the world.

Let us take the problem of the Kurile Islands, for example. I had to cope with it for the first time during the Moscow visit of the Japanese foreign minister. The public was agitated over

some statements coming from a number of politicians in Moscow. The people living on the Kuriles were strongly opposed to the plans for transfer. Actually, we forgot about them in our political battles. And it looks like they are going to live on there. Why don't we try and solve this burning international issue proceeding from the interests of the people living there – after all, the question of the status of the islands is secondary. During the negotiations the Japanese offered a $2.5 billion loan, much of which was earmarked for the development of the Kuriles. Isn't it the real human dimension of the problem?

**V.G.** What other priorities on your list have you managed to implement as Foreign Minister?

**B.P.** For example, the slow and painful process of de-ideologizing our relations with Cuba, the process which has been necessitated by time and changes in world politics. The same applies to the decision to withdraw our military unit from Cuba, although there were serious internal disagreements behind it, to say nothing of the frictions with the Cuban leadership. Nevertheless, the process has begun and the problems related to it will be easier to solve.

The negotiations with the Afghan armed opposition in New York and Moscow also required much effort. It was not so long ago that we could not even think of talking to the mujahedin. Without such negotiations, however, it is impossible to free our POWs held by the opposition. We started to pave the way towards more progress in this crucial problem, especially as these steps had been initiated by the Joint Soviet-American Statement on Afghanistan which Baker and I issued in Moscow at the end of September.

**V.G.** What about the influence of the domestic political situation on the activity of the Foreign Ministry and you as Foreign Minister?

**B.P.** That is a special story. Hardly had we worked out our proposals on the radical reshaping of the Foreign Ministry and submitted them to the State Council of the USSR, when the press launched a massive campaign demanding a ten-fold reduction of the Foreign Ministry, which meant virtual elimination of the ministry as a foreign political factor. By that time I had already acquired the experience of communicating with foreign colleagues at various international forums and conferences, and I was fully aware of what the elimination of the foreign ministry would have meant for both the international community and the domestic situation in the Soviet Union where the race of sovereignties would have been coupled with a diplomatic war as well.

The future of the Foreign Ministry and myself is a secondary question. I know radical proponents of sovereignties in this country are ready to list anyone advocating centralized foreign policy as a supporter of the "outdated centre" or, even worse, the unitary imperial structure. However this may be described, the absence of federal structures and a federal foreign ministry will make it impossible for us to return to the civilized world. The disintegration of an integrated foreign political course will be extremely harmful for us and the world community.

At the same time, no one is going to question the sovereign states' right to uphold their national interests and carry out their original policies. These individual interests, however, must somehow form an integrated and concerted interest in the face of the world community. I am convinced that the pattern of relations between the centre and the sovereign states drafted by the fifth Congress of People's Deputies remains the optimal one.

The State Council has already twice been plunged into heated debates discussing our proposals on reorganizing the Foreign Ministry and its relations with the foreign ministries of sovereign states. One must give credit to the leadership of Russia and especially to Russian President Yeltsin: he was also looking for a way towards a mutually acceptable solution and when such a solution was finally found, he even congratulated me on it.

That was how the new concept of the ministry and our general political line was worked out. Naturally, the qualitatively new concept needed a qualitatively new leader. Eduard Shevardnadze has become such a leader. In a sense, he is not returning to the position he used to occupy before, he is assuming a new position in the state structure.

**V.G.** Does this mean that you are satisfied with what you have achieved in international and domestic policies?

**B.P.** At any rate, I feel I've done a good job. My short tenure as Foreign Minister may cause inevitable rumours and speculations. Some people expect me to bear a grudge against Gorbachev or Yeltsin or Shevardnadze, suspecting me of harbouring unsatisfied personal ambitions. How can I feel bitter about the people thanks to whom I was able to achieve what I always thought was the pressing imperatives of the time?

**V.G.** What was the result of your determined attacks on the secret services? You started your work in office with a rather unexpected declaration that you would free the Foreign Ministry from the presence of the secret services. Ironically, some people in the West insist that you are a KGB general yourself.

**B.P.** That's true. The allegations of my being a KGB general in charge of a certain misinformation department crowned the campaign of speculations and slander against me. Some Soviet defector said I had started to work for the KGB in the early 1950s when I was a student.

You understand that my intention to evict secret services from the Foreign Ministry did not win me any new supporters. When I was the ambassador to Sweden, I started to make the first steps in this direction, suffice it to recall the Wallenberg business. No one in this country wanted to be bothered with it, but finally our years-old lie had to be disavowed. The situation with the downed Swedish plane was almost identical: it was only recently that we published an official statement confirming that the shooting of that plane was our doing.

Officers of the secret services have been withdrawn from the Foreign Ministry. We are considering some measures concerning our foreign network as well. The mechanism of the secret services' presence in the Foreign Ministry must be given some legal status and, of course, the number of secret service people must be seriously reduced. I believe special legislative acts on this problem must be adopted at the Union level. I am sure that the solution of this problem could boost the international community's trust in our policies.

**V.G.** You are packing for London now...

**B.P.** Yes, I am. Ever since I left Stockholm eighteen months ago, I have had appointments in Prague and Moscow. London is the third.

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# Tough measures will be needed

*Yegor Gaidar,*
deputy chairman of the Russian Federation government

**The reform is beginning. Changes are to be made as it develops**

The new government has taken office in difficult conditions. Wholesale and retail prices are out of control. Inflation is running at 15 percent a month. Nominal money incomes are uncontrollable. Owing to a high rate of inflation, the farmers do not supply food to towns. The Vnesheconombank is insolvent. It has run out of foreign currency reserves and is discontinuing freight payments. Such was the situation by mid-November. The government has little room for maneuvering in carrying out the reform. The possibilities are limited also because Russia does not have the state institutions needed for pursuing an independent economic policy. The mechanism of interrepublican coordination is weak and not very effective.

Through its measures the government is trying to outstrip the developing process and begin to control it. It is going to act in two directions. First, to provide a legislative basis for a radical reform. Second, to devise means and methods for implementing the reform. The first range of measures includes decrees intended to stabilize the economy and ensure social security and economic sovereignty. The decree on liberalization of foreign economic activity contains two important principles: the permission to engage in foreign economic activity without special registration, and the convertibility of the ruble in current operations without a fixed exchange rate.

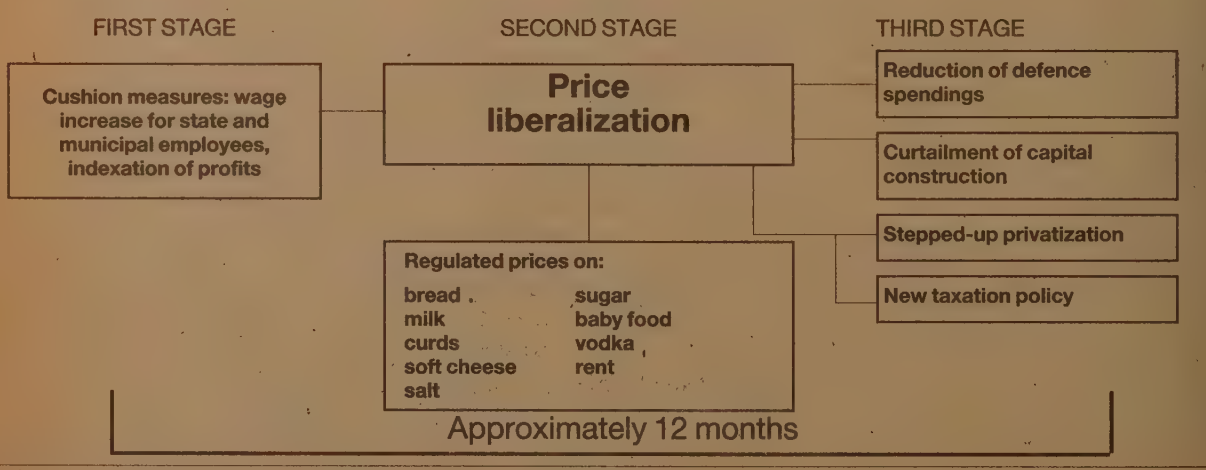
The convertibility of the ruble will be introduced over a period of six months because the government is now unable to guarantee its stability and set a fixed exchange rate from January 1, 1992. We have to reckon with the present situation. Russia does not have the six billion dollars needed to create the stabilization fund.

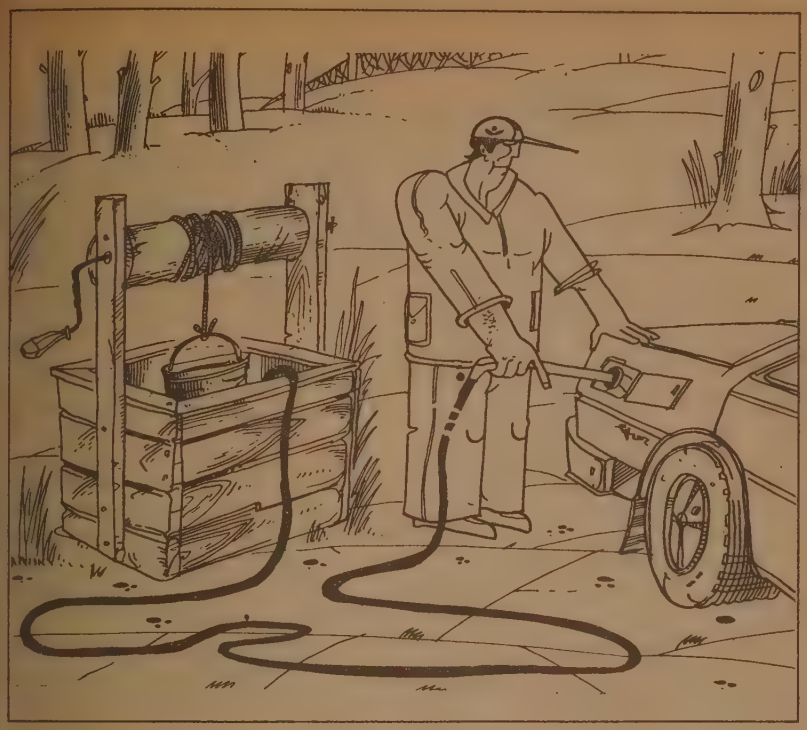
Package measures have been envisaged to create minimal prerequisites for the liberalization of prices. The salaries of the personnel of budget-financed organizations have been increased and restrictions lifted on wages in self-sustained enterprises. These risky measures are inevitable because it will most likely be impossible to check inflation in the next month or two.

Another decree provides for the liberalization of prices and gives a list of goods for which price controls will be set. Among them are products for industrial and technical use, such as oil and oil products, gas, coal, precious metals, shales, as well as rail freight and communication services. Consumer products include some kinds of bread, milk, skimmed buttermilk and curds, salt, sugar, children's food, vodka, as well as community facilities and rent. The prices of all these products and services will roughly triple in accordance with the general index of price growth. It is an unpleasant but inevitable means of stabilization.

The measures to speed up privatization are now

## FIRST STEPS OF RUSSIA'S CABINET OF REFORM





*Drawing by Yevgeny Sinchinov*

in the pipeline. Small enterprises are to be transferred to private ownership first of all. But the measures also include the sale of incomplete projects and the denationalization of state-owned enterprises. A decree on industry to be published soon will consolidate the present status of factory managers and prolong old contracts for some time before a real mechanism of control over state property takes shape. Further steps by the government will depend on the situation. It will have to analyze and adopt the necessary measures depending on circumstances.

The government is now revising defence spending. The wage fund, the expenditure on social needs, and part of allocations for military R&D are to be preserved. However, the procurement of military hardware is to be cut drastically.

We shall considerably revise centralized investment in capital construction and decide what is really necessary to build next year.

The government will have to overhaul the tax system and introduce a value-added tax. The level of taxation in the structure of the gross national product must be raised.

Inflation appeared in our country not long ago. Until 1985 the Soviet Union was a country with a very high level of financial stability. The increase of prices is connected with the investment boom in the early years of perestroika, the launching of major social programmes incommensurate with real financial possibilities, and the break down of the sources of taxation.

After the liberalization of prices and the first round of inflation connected with panic buying and adaptation to market conditions, the situation will rapidly stabilize. This is proven by the experience of Eastern Europe. How will events develop further? It depends on many things – on how we shall be able to preserve the management system in the public sector, check the uncontrollable growth of wages as happened in Poland, and resist the populist pressure urging compensation for all losses. The law on indexing fortunately allows the government to link the procedure of indexing and the time of introducing it with the condition of the budget. If we pursue a tough budget policy and establish control over the credit expansion of commercial banks another round of inflation can be averted. ■

# Has everything been thought out?

## Several questions to the new Russian government

*Alexei Kireyev,*
D. Sc. (Economics)

The first shock caused by plans of going over to a market economy is over. The shops in the state-run network have sold all the remaining goods, and "commercial" shops which sell imported goods for rubles at exorbitant prices have also done a good business of late. Now that the people have laid in a store of dried crusts and most of them have obtained the minimum supply to survive cold winter, we can take a respite and think over what the leadership of Russia has offered as another plan for saving the homeland. Sincerely greeting its determination to get things moving, I only want to call attention to some alarming points in the new economic programme.

### Demand and supply

When the conversation turns to the market economy for which we have been unsuccessfully striving in the last few years I imagine a large scale with demand for goods and services on one side and their aggregrate supply on the other. It is known from the theory of macroeconomic balance that the economic situation is ideal when demand equals supply. Such a situation is achieved only for a moment. Usually either supply exceeds demand or, on the contrary, supply is less than demand.

The balance can be recovered only two ways: either by increasing supply or reducing demand. The new economic programme, at least in its first stabilization part, clearly provides for a reduction of demand, both on the part of the population (the liberalization of prices) and the state (the cutting of budget expenditures) and enterprises (streamlining of the tax system). The growth of supply by means of "building a sound mixed economy" is evidently postponed.

Does the government realize that a reduction of demand in all fields without

simultaneous measures to increase domestic supply (import is not counted because its volume is small) can seriously worsen living standards with all unpredictable consequences?

The elimination of the state budget deficit is certainly a priority of the reform. The budget as well as the economy on the whole can be balanced either by raising its revenues or cutting expenditure. It follows from the Russian programme that every effort will be made to prune budget expenditures. The budget items to be axed include those which are usually fiercely attacked by legislators in the first place (defence, administration, subsidies to inefficient industries) and those whose "guilt" for the republican budget deficit is not so evident (the financing of Union ministries, aid and credits to other countries).

In this list only the reduction of military spending and subsidies can bring considerable savings. The expenditure on other items is miserable. If the Russian government fails to cut state budget expenditures in conditions of inflation, which is quite probable, how is it going to increase the revenue for the purpose of achieving a balance?

## Introducing new currencies?

All prices are in rubles which circulate so far in all 15 republics of the former Union. Do the authors of the programme understand that it is impossible to liberalize prices "on the territory of Russia" without striking at the economic interests of the people in other sovereign republics who also pay in rubles? The liberalization of prices even in the Baltic republics, which are of no great importance economically, brought about a flow of goods from Byelorussia and Russia's neighbouring regions to that area, and no customhouses could stop it.

The liberalization of prices unilaterally declared by Russia will inevitably compel other republics to defend themselves. Where the customs service is ineffective they have only one option, namely, to introduce their own currency and fix an exchange rate for rubles to compensate for the difference in prices.

Has the government estimated the cost of introducing new Russian monetary unit and establishing the bank infrastructure needed to exchange it for the currencies of other republics in mutual settlements? How will this affect interrepublican cooperation?

The Russian programme envisages a tough mechanism against an uncontrollable emission of money and credits. This is certainly necessary to fight hyperinflation. For this purpose the State Bank of the USSR, which has a monopoly on the emission of money, should be transferred to Russia, and it must be forbidden to issue more money and grant unsupported credits. In the spirit of the treaty on economic union the Russian leadership proposes a milder variant, namely, the founding of a common interstate bank for the ruble zone as a whole provided three conditions are observed: the refusal of other republics to introduce their own currency, the parity of republics in control over the observation of the bank's charter, and correspondence of the votes of a republic with the proportion of its capital.

The following question arises in this connection: who will be responsible for emission in this structure of an interstate bank, which is rather an international organization of the IMF type – the bank itself as a supra-national body, Russia as a republic with the largest number of votes? Will other republics agree that Russia will virtually decide whether or not to pay wages (a cause of runaway inflation) to socially explosive work collectives (miners, railway workers)?

With the liberalization of prices only the freezing of wages and other money payments can help avoid further emission and, consequently, hyperinflation. If wages continue to rise in proportion to the growth of prices, as demanded by trade unions (so-called indexing), the emission of money will increase unreasonably and hyperinflation will swallow both the right and the left.

The Russian government has promised to raise in advance the salaries of teachers and doctors, pensions, student grants, set up a republican fund of support of the population, deliver free soup to the poor and settle them in night boarding houses or, simply speaking, dosshouses. These are noble aims and the government will have to allocate funds for them, realizing that this measure will spur on inflation. But how should one understand the statement that all restrictions on the growth of individual earnings will be lifted while the fixed incomes of the personnel in budget-financed branches will be raised to the incomes of people engaged in the market sector of the economy?

If this is understood, as in many East European countries, as the possibility for a man to work at several enterprises to the point of exhaustion, receiving the "frozen" wage at each of them, this cannot evoke any objections, especially as such a possibility has been recorded legislatively. But if this is understood as permission for all enterprises to set wages themselves, it is a direct road to the failure of the reform. Seeking to be "good," the management, under the threat of strikes, will increase wages in proportion to the growth of prices and the Central Bank will print more money. This will result in hyperinflation. Will the Russian government dare liberalize prices and freeze wages?

The only hope for stabilization and the lowering of prices is connected with competition in the economy on the basis of its privatization and as a consequence of demonopolization. The struggle against super-monopolization, the programme says, will be waged by means of liberalization of prices, anti-monopoly legislation, the breaking up of large associations into smaller units, and the establishment of small and medium privately-owned enterprises.

## The unfreezing of prices and future frosts

All these measures are envisaged before the unfreezing of prices, which is expected as soon as this year. It is logical. The country does not have many wealthy people who can buy within one and a half months a more or less sizeable part of the economy in order to create a semblance of competition in it.

Who will buy industrial plants? The privately-owned businesses like MMM, Alice or Menatep? Despite their attractive advertising they are of little importance economically. Ordinary people? But most of them are poor. Foreigners? No respectable investor will come to our country until we have achieved political stability.

Competition in all spheres can be created by the destruction of the "iron curtain" of foreign economic ties. The Russian programme is contradictory in this respect. On the one hand, it proposes liberalizing foreign economic ties and abolishing superbureaucratism. On the other hand, complaints are heard about the expected multibillion losses because of the uncontrollable export of Russian resources. It seems that Russia intends to establish full control over this sphere, even confirming its determination to observe the USSR's international commitments, first of all as regards it external debts.

The new programme of reforms was announced in late October. The implementation of it will begin at best at the end of the year. Sharp changes in the economic situation and prices are expected in mid-winter, followed by the traditionally hungry period of spring. Are there forecasts for the probable development of the reform, based on scientific conclusions and sociological information? Do they take into account such factors as the degree of supply of the consumer market with goods and the level of prices for them combined with the possibility and ability of people to tolerate privations, cold and hunger? How many days, weeks or months will the political prestige of the Russian leadership be able to compensate for the economic difficulties, especially in the initial period of the reform?

# ВОЛГА В ДНЕПР

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## THE PICTURE SPEAKS LOUDER THAN WORDS

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# On the brink of war

**The helicopter crash that killed twenty two people, including observers from Russia and Kazakhstan, in Nagorny Karabakh has pushed Azerbaijan and Armenia to the brink of an all-out war**

*Marina Shakina*

The Azerbaijani investigating team at the crash site

The investigation has so far produced no results, but there have already been speculations in the press that the helicopter crashed after it had been hit from the ground. This was enough to set the whole of Azerbaijan in motion – after all, the so-called Armenian fighters are the only armed people in the mountains of Nagorny Karabakh where the crash occurred.

The idea was first voiced by an Azerbaijani Procuracy spokesman in his interview with a Central Television correspondent. The camera focused on the bullet marks on the body of the decimated helicopter. At that time there was no mention of any examination. When a team of experts from the Centre and Russia, including KGB and Interior Ministry investigators and experts from the State Aviation Safety Administration, came down to the site of the tragedy half an hour later, the corpses had already been removed. Moscow experts were not allowed to participate in the investigation. Today the entire investigation effort is concentrated in Azerbaijan. The Azerbaijani side does not trust either the Centre or Russia. As for the Azerbaijani investigation, it enjoys no trust on the part of Armenia which insists on an independent international inquiry.

Several days have passed but there is still no reliable information. The controversial speculations in the press about what the black box recordings said – ranging from "there is fog all around" to "we have been hit from the ground" – and the talk about bullets found in the dead bodies are nothing but rumours.

The version that the helicopter was hit from the ground cannot be ruled out. However, there are a number of strange facts that just can't be explained at present. At the moment of the crash the helicopter was flying at cruising speed without the manoeuvres which are naturally resorted to when an aircraft comes under attack. Experts unanimously agree that the helicopter could not have been purposefully hunted for. Its routes were approved at the very last moment before the departure and there could have been no information leaks. The flights were organized by Major-General Zhinkin, a soldier with extensive combat experience gained in Afghanistan. He was also killed in the crash. The ground attack, if there was any at all, could have been nothing but a tragic coincidence. The bullet marks on the helicopter body could have been left from earlier attacks: many helicopters fly with bullet marks in Karabakh.

Will the investigation ever be completed? Unfortunately, the findings of the investigation are no longer important. No matter under what circumstances the helicopter crashed, events may start to develop quickly, bringing about irreparable damage.

Everything is clear for the Azerbaijani side already. The haste which the Azerbaijani authorities have demonstrated in putting forward new accusations and fresh versions of the tragedy, which are not backed by any experts' conclusions, cannot but cause disappointment and regret. Irreversible political processes have begun in Azerbaijan: the opposition has already demanded President Mutalibov's resignation, the special session of the Supreme Soviet of Azerbaijan is discussing the abolition of the autonomous region in Karabakh, the recall of Azerbaijani servicemen from the Armed Forces of the USSR and measures to protect the Azerbaijani population of

Karabakh. All this is virtually equal to a formal declaration of war.

Many political mistakes have been made in the four-year history of the conflict in Karabakh: it is known that the Centre has committed too many, but the leaders of Armenia and Azerbaijan are also largely to blame. The Zheleznovodsk peace process offered all the sides involved a chance to withdraw from the conflict in a dignified manner and to avoid escalation of violence. Competent people argue that the positions of the sides have become more realistic recently. Armenia, in particular, has made many concessions. There have been indications of Armenia's readiness to display more flexibility to solve the Karabakh problem. The helicopter crash gave a new trump card to those politicians in Azerbaijan who have been convinced from the very outset of the conflict that the problem can only be solved by military means. This opinion is widespread in that republic.

Many people in Moscow and Yerevan believe that the only hope is to solicit international assistance, including the deployment of UN peace-keepers. This hope, unfortunately, does not seem to be very realistic.

No presence of UN peace-keepers or international observers in Karabakh is possible without Azerbaijan's consent. The tragedy of the situation is aggravated by the legal confusion: de-facto, both conflicting republics are independent states; de-jure, they remain parts of the Soviet Union in the eyes of the world community. Today they can hardly appeal directly to the United Nations. It will be difficult to sponsor an international blockade of the region even if the United Nations opts for such a decision. In this case no international unanimity will ever be achieved. Neighbouring Muslim countries such as Turkey, Iran, Pakistan, Syria and Iraq are highly unlikely to refuse Azerbaijan their support. The powerful Armenian diaspora in the United States and France will support Armenia. Many countries will be on guard against backing the aspirations of Armenia and the Armenian population of Karabakh in order not to create a precedent. Many countries of the world include national autonomies or ethnic enclaves, and for them to approve of separatist sentiments would mean undermining their own domestic stability.

The likeliest scenario is that of Azerbaijan and Armenia's finding themselves face to face and in isolation. This scenario looks especially realistic in the context of both republics' refusal to join the new Union of Sovereign States. Russia and Kazakhstan are already about to drop their peace-making efforts. The only factor that could reverse the process is a massive and forceful intervention of the centre. However, the centre is not prepared for such an intervention of the centre. However, the centre is not prepared for such an intervention either psychlogically or physically. Today the centre is even less powerful than it was one to four years ago. In addition, public opinion is opposed to this option.

The war which seems imminent will create one more bloody conflict in the world. This war will inevitably spread beyond the national confines: direct military involvement of foreign states is not likely to happen, but many countries will be tempted to fuel the conflict with fresh supplies of war materiel. With such support the war could go on for generations.

For the former Union republics the war will be a tragedy too: no republic will manage to stay out of it even in the doubtful case of both Armenia and Azerbaijan's refusal to solicit the help of the Union or individual republics. Anyway, it will be a war in the sphere of vital interests of former Union republics.

But for the two republics the war will become a catastrophe. It will push them many years back. Consolidation of a nation on the basis of military hysteria is not the happiest atmosphere for democracy and the affirmation of democratic values.

For the Karabakh population an all-out war with the use of sophisticated weapons may become genocidal. The priority today is not self-determination of the Armenian population of Karabakh but its physical survival. This must become the main concern for both former Union republics and the entire international community.

# How the UN keeps peace

*Sergei Lavrov,*
Head of the International Organizations Department of the Soviet Ministry for External Relations

UN peace-keepers can be deployed in a conflict zone on the request of UN members only in three cases: on the request of the country where the peace-keepers are be employed; on the request of both sides, if the peace-keepers are intended to serve as a buffer force between the opponents; and on the request of any UN member and the consent of the states where the peace-keepers are to be deployed.

The question of the deployment of the UN peace-keeping force is decided in the Security Council. The UN Secretary General submits a report explaining the particulars of the planned operation. A fact-finding mission can be dispatched to the would-be deployment areas to determine the technical aspects of the deployment and coordination of their activities with the local authorities. Usually, this mission does not take longer than one week. The Secretary General's report is submitted to the Security Council. After that the Security Council holds informal consultations and sittings. If Security Council members are convinced that the deployment of peace-keepers is really the only way out of the crisis situation, they make a decision on deploying UN forces in the conflict area. At least nine out of the fifteen SC members must vote for deployment and any of the five permanent SC members has the right to veto the decision.

Peace-keeping operations are expensive. The operation in Cambodia, for instance, is going to cost the UN more than one billion dollars.

Individual people's deputies' calls for the deployment of the UN peace-keeping force in Nagorny Karabakh will not be considered by the UN. The same applies to possible appeals coming from the Karabakh authorities or interested republics. A similar situation occured in Yugoslavia where both Serbian and Croatian representatives applied to the UN for the deployment of peace-keepers. However, the United Nations did not formally consider the appeal as long as there was no official consent from the government of Yugoslavia. Formally Armenia and Azerbaijan can initiate the question of the deployment of UN peace-keepers in the conflict region only in the State Council of the USSR which can later address the United Nations.

SECURITY PROBLEMS

# How to start a broken clock

**Moscow has obviously hurried too much to revise its stand on the US "star wars" programme**

*Alexei Arbatov*

In October of this year Moscow suddenly revised its stand on a major issue of security and disarmament. Replying to George Bush's initiatives, Mikhail Gorbachev, in addition to measures on tactical and strategic nuclear armaments, expressed his readiness to "discuss the American proposal on non-nuclear systems of anti-missile defence." What is the essence of this proposal and the problem as a whole?

## Brilliant weapons against Hussein

Since 1983 the United States has been developing and testing land-, air- and space-based non-nuclear anti-missile systems, including lasers and ground-to-space and space-to-space missiles for hitting targets with pinpoint accuracy. The work has been conducted in accordance with the Strategic Defence Initiative (SDI), also known as the "star wars" programme. During all these years Washington has inisisted on revising the American-Soviet treaty on the limitation of anti-ballistic missile (ABM) defence systems which allows each of the two parties to have only one anti-missile defence area with not more than 100 ground-based ABM missiles.

In the last few years the United States has advocated the idea of creating a joint ABM defence system, and early in 1991 it also revised the aims of SDI. Instead

An artist's impression of a Soviet ABM missile launch

## A dangerous project

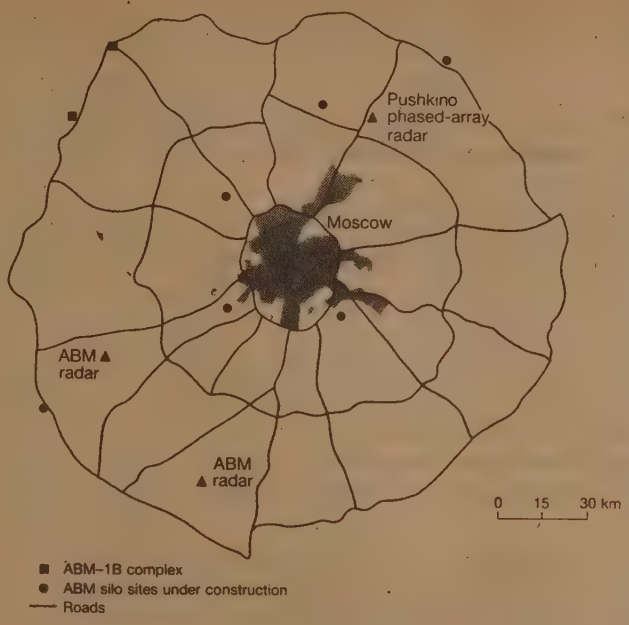
"As for the 'star wars' programme, we cannot take seriously the talk that the SDI will make the country impervious to a nuclear attack and thus lead to the elimination of nuclear weapons... SDI is very dangerous even on a far more modest scale in which, according to specialists, it can be realized as an anti-missile defence system with limited possibilities. This project will certainly speed up the arms race in every field, and this means that the threat of war will increase."

**From Mikhail Gorbachev's replies to *Time* magazine,** August 28, 1985

of defence against a massive Soviet missile strike it has been regeared to the building of a system of "global defence against a limited strike." The aim of the revised SDI programmes is to guarantee the country against an unauthorized missile launching or a provocative attack by regimes like those in Iraq, Iran or Libya.

The new system provides for the deployment in the United States of 750 to 1,000 ground-launched interceptor missiles, about 1,000 space-launched guided missiles, and mobile anti-missile defence for protection against tactical missiles (the next generation of the Patriot system used in the war against Iraq). The estimated value of the entire system of global defence is about 50 billion dollars in addition to the 20 billion already spent on SDI since 1983. The system will be completed in 10 or 15 years.






**A diagram of the Moscow anti-missile defences showing the sites of ABM missiles launchers and radars**

Moscow claimed until recently that large-scale anti-missile defence systems would make both countries uncertain of the reliability of their deterrence potential. As a result, the race in the building of offensive and defensive systems will resume, strategic stability will be impaired, and the process of reducing offensive strategic weapons will be thrown off course.

In the manner typical of Gorbachev this stand was unexpectedly revised to the great surprise of even the Soviet delegation at the Geneva talks. Though the President did not explain the motives for such a sharp turn in the policy which he has been persuasively defending in the last five years, the arguments in favour of changing it are well known.

First, radical changes took place in Soviet-American relations after the August coup attempt in Moscow. The two powers no longer consider themselves enemies and are taking unilateral measures for the reduction of their nuclear forces. Allegedly, the policy of mutual deterrence is not valid any longer, and this means that an anti-missile defence system, the more so a joint one, will not untermine stability and security.

Second, the economic and politcal chaos in the Soviet Union arouses doubts about whether centralized control over its nuclear weapons is tight enough. In this situation a global system of anti-missile defence can be a guarantee against an unauthorized launching.

Third, the advocates of the new concept of anti-missile defence refer to the rapid proliferation of ballistic missiles and missile technology together with nuclear materials in the world. In the near future people like Hussein and Gaddafi will be able to gain access to means for nuclear blackmail.

## Fear of unauthorized launching

At first sight the arguments cited above speak in favour of revising Moscow's stance, and this is now proposed by some military and civilian specialists in the Soviet Union. But we should not be in a hurry.

Strategic ballistic missiles, both land- and sea-based, are least of all dangerous among the existing types of nuclear weapons by criterion of an unauthorized use. Missiles are safely blocked by electronic and mechanical devices. Even their crews and commanders at intermediate levels are unable to launch missiles without a ciphered and repeatedly checked sanction of highest military and political authorities. The entire system of control of the missiles forces is rigidly centralized. It is as difficult to launch a missile by chance as to assemble by chance a Mercedes car instead of a dump truck at the Moscow automobile plant.

Nevertheless, the August putsch increased the fear of a possible unauthorized launching. A closer look at the matter shows, however, that a situation of this kind creates the danger not of an unauthorized launching buy of centralized control over the nuclear arsenals going over to the usurpers of power. Limited anti-missile defence will prove inefficient in this case, especially if – as Soviet experts propose – it is deployed and controlled jointly by Washington and Moscow. No wonder US Defence Secretary Richard Cheney flatly rejected the possibility of sharing the technology and jointly controlling such a system with the Soviet Union.

Only political and constitutional measures barring the possibility of August events can be a guarantee against the loss of nuclear control. Besides, the nuclear button should be in the hands of only constitutionally elected leaders of the Union and its constituent republics. Without their unanimous sanction the use of nuclear weapons must be technically impossible.

The danger of an unauthorized launching is more realistic in the case of tactical nuclear weapons – tactical missiles, aircraft bombs, shells and mines. However, the proposed anti-missile system is technically unable to neutralize such a threat.

Quite different measures, not a new anti-missile system, are necessary to reduce the likelihood of an unauthorized launching to the absolute minimum. We should deal with the causes, not the consequences of the problem. What I have in mind is rapid and much deeper cuts in strategic armaments than those envisaged in the START treaty and the autumn initiatives of Bush and Gorbachev*, mutual steps to reduce the alert level of these armaments, including sea-based missiles, and an improvement of the systems of early warning and preventing unauthorized

* See the article by Alexei Arbatov and Thomas Cochran, "Finale is important, not START," *New Times*, No 45.

use, up to the fitting of self-destruction devices, as it is done in space-launched missiles. This opens up broad vistas for the exchange of technology and joint research.

## A "suitcase bomb"

Now about the threat of proliferation of ballistic missiles in the Third World. The main danger here is created not by missiles as such but by warheads for them. If a reliable barrier is not put up in the way of proliferation of weapons of mass annihilation, terrorist regimes will find other ways of delivering such weapons – planes, torpedoes, cruise missiles, a "suitcase bomb."

Incidentally, strategic ballistic missiles are the most expensive type of carriers which are hard to obtain. It is impossible to build and deploy them secretly. They are vulnerable at launching pads even to conventional weapons, as was demonstrated by the war in the Persian Gulf. Strategic missile cannot be hidden, as was done by Iraq with tactical missiles it received from the Soviet Union.

In this case, too, we must fight the causes, not the consequences. The uncompromising common policy of the United States, the Soviet Union and other civilized nations must be directed at averting the proliferation of nuclear and chemical weapons, missiles and missile technology, and long-range offensive weapons in general, in the Third World. Even direct sanctions must be applied and military action taken to prevent access to such weapons.

The building of global systems of anti-missile defence can be likened to the strengthening of a rooftop to keep thieves away while leaving the doors and windows open.

Besides, a revision of the ABM Treaty would create a host of problems owing to the geo-strategic and technical distinctions between the Soviet Union and the United States. In particular, 1,000 ground-launched ABM missiles are sufficient for the United States whereas the Soviet Union needs considerably more because of its vast territory and the proximity of threat from the south. It is not known how the United States and neighbouring countries will react to the fitting of thousands of ABM missiles with nuclear warheads if Moscow fails to create effective non-nuclear systems of interception. How to combine this with the declared intention of the two Presidents to effect deep cuts in nuclear armaments, including anti-aircraft missiles?

## Possible consequences

Until the United States and the Soviet Union cut their strategic forces to a very low level, their strategic relationship will be characterized by mutual deterrence. The building of defensive systems which, incidentally, may be rapidly expanded will inevitably hinder a reduction of offensive armaments. In turn, this will perpetuate the strategic relationship between the two powers as that of opponents, contrary to their desire to become political partners and even allies.

For other nuclear powers – Britain, France and China – a limited anti-missile defence system capable of intercepting up to 200 warheads will look like large-scale anti-missile defence neutralizing their small but expensive nuclear forces. In this case Britain and France will possibly try to keep the status of great powers by combining their nuclear missile forces. And will the FRG's stand remain unalterable?

China will be in the worst position, for its nuclear arsenal is intended to deter both the United States and the Soviet Union. Most likely than not Beijing will build more missiles. How will it influence the policy of Japan, North and South Korea, India, Pakistan, Iran and Iraq? What stand will Beijing take on the non-proliferation of missile and nuclear technology and materials, its chief trump-card in the relations with other great powers?

The advocates of new anti-missile defence systems in the United States and the Soviet Union must answer all these questions today, as later it will be difficult to set things right.

## Bearing Washington's headache?

Washington's motives are clear. Global defence against a limited strike is not a new task. Protection against unauthorized launchings and missiles that can be fired from Third World countries has always been included in the SDI programme as a secondary task along with repelling a massive attack. Because of economic, political and technical reasons the maximum task is no longer considered feasible. Having spent 20 billion dollars on SDI over the last eight years the Republican administration finds it awkward to admit to the taxpayers that a mistake has been made. The Congress threatens to cut appropriations for the new system too. That is why Washington badly needs other arguments, for instance, Moscow's consent to joint research.

But why should Moscow bear Washington's headache? The Soviet military-space complex will clearly try to obtain contracts for its design bureaus and enterprises and counts, though without any grounds, on gaining access to American technology. Incidentally, the US allies have received practically nothing from their cooperation within SDI. Can the Soviet Union, in its present economic situation, waste dozens of billions of dollars on "limited" anti-missile defence for protection against imaginary threats in the next century? Can it, in addition to the nuclear problem, involve the anti-missile defence system into the vorte of national conflicts? It will be recalled that half the Soviet early warning radars are now in the territory of republics which have seceded or are going to secede from the Union.

Even a broken clock is said to tell exact time twice a day. The Soviet position on anti-missile defence in the 1980s was right, though it was prompted by wrong considerations. Moscow took a negative stand not because it was concerned about strategic stability but because it feared lagging behind the United States in this field of military-technical rivalry.

Opposing strategic defence and the militarization of space, the USSR simultaneously violated the ABM Treaty by building the Krasnoyarsk radar and was keeping the world's only operating anti-missile defence system around Moscow and an anti-satellite system in Tyuratam. It created the most powerful strategic anti-aircraft defence, carried out the largest number of ballistic missile tests via space, and put in orbit more military satellites than other countries. This policy explained the inconsistency and ineffectiveness of Soviet diplomacy at the Geneva talks on defence and space matters.

It seems an attempt is being made to start the broken clock, but in the wrong direction. Under the present circumstances Moscow should not resort to ultimatums with regard to the United States and threaten to break the treaty on strategic arms. All questions, including the expediency of maintaining the ABM Treaty, can and must be discussed rationally and in a businesslike manner. It is not reasonable and even dangerous to run another extreme – to speed up anti-missile defence programmes. Such a policy would also be destructive for future strategic and political relations between the Soviet Union and the United States and for the joint use of space with the aim of ensuring stability, communication and ecological control.

*The diagram and drawing from Space Arms and International Security published by the Stockholm International Peace Research Institute*

# German business is not in a hurry to invest money

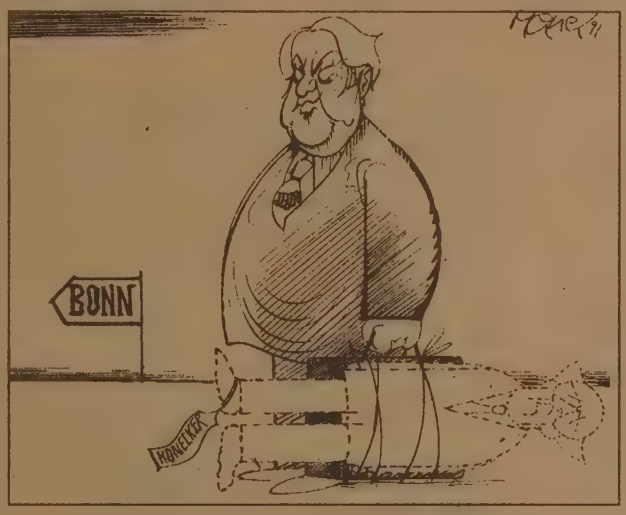
## Honecker was not exchanged for billions of deutsche marks. Nevertheless, Yeltsin's visit to Germany was successful

Last spring Bonn began to consider seriously how to change its policy towards Moscow by giving more attention to relations with the Soviet Union's republics. It was clear to everyone here that the breakup of the Union was inevitable. The question was how quickly this process would proceed. Of course, Bonn would prefer to deal with the Soviet leadership headed by Mikhail Gorbachev. In spite of his mistakes he remains for Germans a predictable politician, thanks to whom their country was able to reunite. But that is not the only reason. Like other European capitals, Bonn was seriously alarmed by reports that the Ukraine and Kazakhstan wanted possession of the nuclear weapons stationed in their territories. The fear seems to have been dispelled, but a host of questions remains.

Boris Yeltsin's visit was important for Bonn first of all in the sense of personal acquaintance, which plays a considerable role in politics. It was also important for the Russian President to prove his worth. The decision on the extradition of Erich Honecker to German justice and the decree on measures to create the most favoured threatment for foreign business in Russia were supposed to provide a good background for the visit. According to Yeltsin, he was not going to Bonn with a hand held out for charity.

Nevertheless, he asked for money and aid and urgently invited German businessmen to Russia, promising taxation and other privileges for them. However, his calls did not meet with the expected response. Investments cannot be expected until a market economy is introduced. Business also needs the political stability which is lacking. This does not mean, of course, that some companies will not take part in different projects in Russia, first of all in the power industry or, for instance, in the modernization of the Moscow–St.Petersburg railway. Russia will also receive humanitarian aid. However, it should not count on getting generous financial and economic aid.

First of all, Germany's possibilities are not unlimited, and the current reforms in the new federal lands need huge investments. A year's grace period in the payment of the Union's debts, granted Gorbachev during his talks with the G7, means that the German budget will receive about a billion marks less than expected. It is a considerable sum, but Bonn has accepted this fact.




*Drawing from Frankfurter Allgemeine Zeitung (Germany)*

Secondly, Moscow seems to forget that Warsaw, Prague and Budapest, to say nothing of Sofia and Bucharest, are also anxious to get loans from Germany.

That is why, thirdly, Bonn wants to persuade its partners in the European Community to help the reforms in the East. Preoccupied with their own problems, West European countries are not eager to invest money in the Eastern European reforms, primarily Soviet, until the situation is cleared up.

Bonn expected that the Russian President would bring with him a final solution of the problem of Soviet Germans so painful for the Federal Republic. It was even believed that an agreement on this question would be signed during his visit. However, the television interview given by Yeltsin on the eve of the visit created confusion. His statements were interpreted in the Federal Republic as the intention to resettle Soviet Germans again, moreover to the desert saline lands of the former military range, Kapustin Yar, which are practically unfit for human habitation.

Boris Yeltsin was compelled to justify himself, saying that he was misunderstood. He spoke in favour of providing 3,000 square kilometres of land for Soviet Germans near Volgograd. It roughly equals the size of the Saarland. This intention was recorded in the corresponding point of the joint statement. Bonn is prepared to allocate tens of millions of marks for establishing a republic of Soviet Germans. At the same time it is prepared to take in tens of thousands of new immigrants who prefer to settle in the well developed Rhine valleys.

But one German they "miss" so much would probably never come to Germany.

Yeltsin did not bring with him the aged Erich Honecker, whose extradition Bonn demanded for a long time. And it's good that he did not bring him. With all the cynicism of politics as such and its poor compatibility with morals, this step would have meant open bargaining on the part of the Russian leadership according to the principle "one good turn deserves another." Paradoxically enough, the haggling over the extradition of Erich Honecker suits Bonn, for the German authorities are now in a ticklish position. On the one hand, they should keep insisting on their demand. On the other hand, the extradition will cause considerable trouble for them. If Honecker appears here the Federal Court will hardly send him to prison and the authorities will have to think of what to do with him.

Thus, Bonn and Yeltsin got acquainted with each other and both parties seem to be pleased. Bonn politicians liked the frankness with which Yeltsin described the situation in Russia and the Union. It is believed in Moscow that the documents signed during the visit are only the initial step in the expansion of cooperation in various fields.

However, Bonn is still facing a difficult dilemma: with whom it should deal in the new geopolitical game. Gorbachev's position increasingly reminds us of the Cheshire cat – the cat disappears while his grin remains. With all his modest experience in politics and straightforwardness, President Yeltsin becomes a real political partner.

*Dmitry Pogorzhelsky,*
our own correspondent
BONN

# The end of the black market

Successes of the Polish economic reform, as well as its failures, are directly connected with the Republic's Vice-Premier and Minister of Finance **Leszek BALCEROWICZ**

Poland surprised the world three times during a comparatively short period. First time – with a powerful explosion of the 10-million-strong Solidarnosc activity in August of 1980. Second time – with the "peaceful collapse" of communism and the victory of Lech Walesa's legions at the elections in June of 1989. For the third time... Well, in this case it is more difficult to indicate a definite date. It may only be stated that within a very short time the country acquired internally convertible currency and a rich commodity market was created. The nauseatingly familiar lines for and shortage of foodstuffs and the black market disappeared. This resolute and umcompromising destruction of the old economic system will become an event of historic significance. To be more exact, it has already become such and has acquired a proper name of its own – the Balcerowicz plan.

Arranging a meeting with him was not an easy task. Leszek Balcerowicz used to avoid encounters with journalists. I spent nearly two months trying to meet with him. His very polite assistants' and schooled secretaries' mild inexorability plunged me into despair: "Unfortunately, Mister Balcerowicz is busy at the moment...", "Mister Balcerowicz is not in the country..." However, I got him at last.

**New Times.** You are well known in our country. Your name is directly connected with the startling changes which have transformed Poland within a few months. But your countrymen's attitude to your person is, mildly speaking, ambivalent. In a word, there is no prophet in his homeland... But to be serious – how would Balcerowicz himself define the Balcerowicz plan?

**Leszek Balcerowicz.** This is, in short, liquidation of lines, introduction of market relations and normal money at the initial stage, and it will be followed by creating an economy based on private property.

**NT.** How do you explain the stability of the zloty which has become an internally convertible currency?

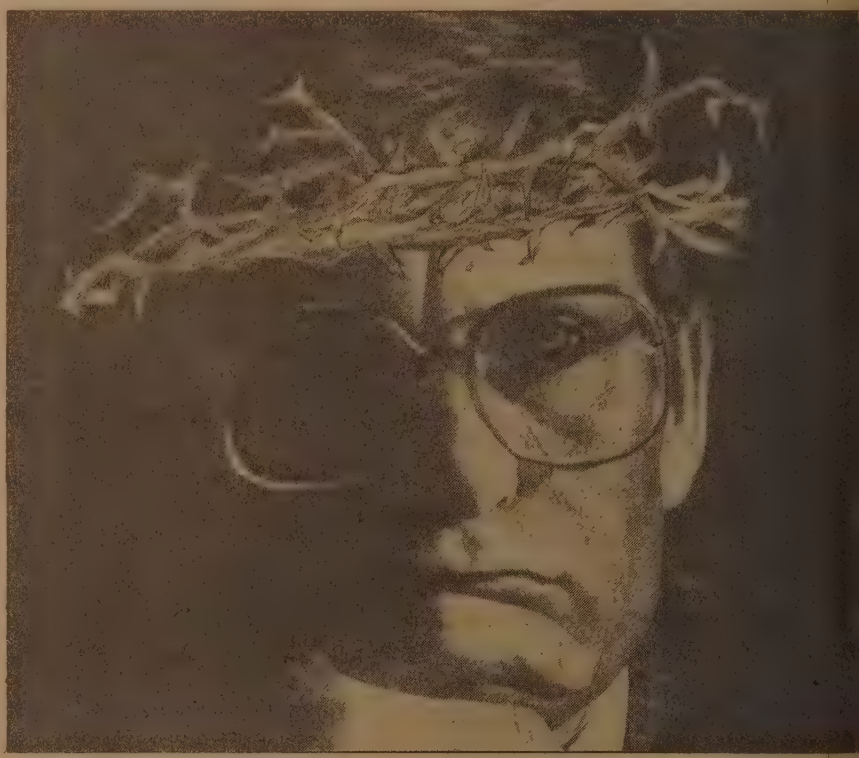
**L.B.** It's very simple: there should not be too many banknotes of national currency, otherwise people will try to spend them buying any goods at all costs, or convert them into a foreign currency, which, in its turn, will increase the exchange rate of foreign currencies and devalue the national currency. Therefore any salutary economic policy must be based on definite financial discipline.

**NT.** So what are the disciplinary mechanisms which make the zloty a "critical commodity?"

**L.B.** They are well known and include bank control over the flow of money into the economy, primarily into the sphere of industrial production; introduction of a mobile level of interest rates for money investments to encourage the population to save and decrease consumption. Finally, it includes observance of the budget balance, so that the state's expenditures do not exceed its revenue by too much. Last year our revenue even exceeded the budget expenditures; this year we have a budget deficit, but we take measures to limit it in order to preserve stability of the zloty.

**NT.** Realization of such a radical reform couldn't have enjoyed nationwide approval. Judging by the results of parliamentary elections, the faith in the path chosen by Poland is somewhat shattered. How long will this last?

**L.B.** One can never say, but this is not the main issue. What is of primary importance is to show the society a real and realistic perspective devoid of speculative promises of easy success. It's important to make



**Who is this man that, as rumours have it, doesn't like publicity, shuns encounters having no direct connections with his activities and generally avoids intrusions from outside? He is a professional economist, graduate of the Central School for Plainning and Statistics in Warsaw and a university in New York. He successfully defended his master's thesis and his doctoral dissertation and for about 20 years was engaged in teaching and scientific activities. At the of 34 Balcerowicz, as the head of a young scholars' group, advanced to the government a programme of economic reforms which in those days, in late 1970s, was considered "unduly radical" and rejected.**

**In 1981 Balcerowicz cast his lot with Solidarnosc and resigned from the Polish United Workers' Party on the very day martial law was imposed. The posts of the vice-premier and the minister of finance were offered him by the head of the first non-communist government of Tadeusz Mazowiecki. He retained them also in Jan Krzysztof Bielecki's government. In 1990 Balcerowicz won the prize for Central and East Europe's best economist. He is now 44, married, and has two sons and one daughter**

people understand that liquidation of lines and revaluation of the zloty requires rather tough measures, though comparatively easy to carry out. And what is difficult indeed is to achieve efficiency and an increase in labour productivity and an improvement of the quality of labour, for which purpose public consciousness is to be changed radically over a long period of time.

**NT.** Recently the newspaper *Polityka* published an article entitled "Governments come and go, but economics persists." The title seemed symptomatic to me. Do you agree with the idea that, regardless of the current political games around formation of a new cabinet of ministers, nobody will be able to suggest an alternative economic reform but will have to follow the Balcerowicz plan? This has already happened once – the Mazowiecki governement left the scene, Bielecki's team came, but the course of Balcerowicz continued...

**L.B.** There is always possibility of working out a new concept, though it may not be the best. The most important thing in economic strategy is to retain what has already been achieved, creating at the same time conditions for consistently solving the problems left over from the previous government. I have never insisted that my programme has no alternative, I have only warned that other programmes may prove much worse.

**NT.** The success of an economic reform depends on a reform in social psychology, on overcoming the stereotype of "equal distribution" deeply rooted in mass consciousness (let it be too little and of poor quality, but guaranteed for all and on equal terms). How to struggle against it?

**L.B.** There is no simple answer to this question. It's clear that the process of overcoming parasitic, or, to express it in a milder way, dependent's psychology will be long and painful. Greatly helpful here will be suggestions for new models of behaviour and appearance of new people whose success in life will be connected with serious enterprise, creative intiative and freedom from fear of taking risks. Of course, the entire system of social education will have to be reoriented to new positive incentives and new labour ethics.

**NT.** If you had a chance to begin everything anew, what mistakes would you try to avoid?

**L.B.** In time there comes new information, new experience which was absent at the starting point. I see now that the rationalizing of the budget in such domains as public health and education must have been initiated much earlier; I would have try to avoid indexation at all costs, i.e. directly connecting growth of wages with the price rise, since it always hampers anti-inflation measures; I would have been more insistent in forcing ministries to make inevitable, albeit uneasy decisions concerning the closing of unprofitable enterprises. As soon as it becomes evident that certain enterprises have no future, it's both possible and necessary to prepare conditions for their timely liquidation or transforming, without waiting until social tension turns into an open conflict between the employees and the administration. An important role in abating explosive situations belongs to banks which control financing of enterprises and are in a position to influence taking eventual decisions about their fate.

**NT.** What did President Walesa have in mind when he mentioned in one of his recent speeches "two Balcerowiczes" with whom he would like to cooperate, and is it possible to unite them into one person?

**L.B.** You have probably noticed our President's often resorting to metaphors. I think that in this particular case he meant the necessity to coordinate the development of two processes – on the one hand, of observing hard financial discipline adopted by the government, for there is no incentive to real work without real money; and on the other, of intensifying privatization and economic restructuring. However, it was clear from the very start that, with all the importance accorded to the second constituent element of our reform – privatization – property relations would change much slower than the situation on the consumption market, which, in fact, we are witnessing now in Poland.

**NT.** Now I would like to ask you a question pertaining to a different domain. Experts of the entire world consider Russia nearly the richest depository of the planet's natural resources. We have oil, gas, gold, diamonds, coal, non-ferrous metals – in a word, the entire periodical table of elements, and yet we also have humiliating poverty of the people. How can it be explained?

**L.B.** Only by the fact that a country's prosperity doesn't depend on its natural resources, but on the economic system which alone creates (or doesn't create) conditions for free enterprise and effectively organized production.

**NT.** Switzerland and Japan, for instance...

**L.B.** Yes, and the list of such countries may be extended. If the conditions I've mentioned are there, natural resources no more than help increase the national wealth, and if they are absent the latter are, at best, a dead stock or, at worst, squandered, lost or pollute the environment. There is only one key to create conditions for a dynamic economy – private property.

**NT.** How do you assess Yeltsin's programme of economic reforms? What can be expected now from the unleashing of prices?

**L.B.** I can refer only to Polish experience. In our case the unleashing of prices, coupled with hard financial discipline (including the halting of monetary emission), soon resulted in the disappearance of lines, improvement of supplies and in slowing down inflation after the initial tremendous leap. I want to specially emphasize that inflation cannot be checked by the unleashing of prices alone, without a clear-cut financial policy; in other words, nothing can be done if the system of subsidizing unprofitable enterprises and uncontrolled monetary emission are preserved. Lines will be shortened, but soaring prices will remain.

**NT.** The Russian President's advisor Sergei Stankevich has brought you Boris Yeltsin's personal invitation to participate in the meeting of up-to-date economic reformers. What are the ideas you are going to bring to Moscow?

**L.B.** I am eager to take part in this meeting, but everything will depend on the current situation (during our conversation intensive consultations of the President with parties' leaders about forming a new government were going on. There are 28 parties in the recently elected parliament – **R.B.**). Probably, each participant guest will have to share the experience gained in his own country with others. And the hosts will choose what is applicable to your situation in your country. Our experience shows that it's possible to stop inflation, but it will have to be paid for, and paid dearly. You will have to put up with unemployment and a production slump because it will turn out that part of production won't find demand. You will have to get accustomed to the situation when an enterprise will look for a customer, and not the other way round, because under centralized control of the economy the producer simply was not concerned with the problem of realization of his product. The problem was not to sell whatever there was to sell, but to buy what was needed. Certainly, it's impossible to change at once from standing on one's head to the normal position, but it's worthwhile asking oneself, how long it is possible to go on standing on one's head?

... A few days before our conversation at a briefing which followed the meeting with Stankevich, the Vice-Premier, answering one of the journalists' question about what he would have done had he been in Yeltsin's position, said, "I would have analysed all possible variants and would have chosen the least risky one. That is, the most radical."

*Rudolf Borecki,*
our own correspondent

WARSAW

# Protest on Vaclav Square

## against the parliament's failure to heed the president's words

Slovak nationalists stage a protest
*Photo from Der Spiegel (Germany)*

Once again Vaclav Square is a venue of a many-thousands-strong rally. Young and resolute faces. Victory signs. Everything was reminiscent of scenes captured on now famous footage showing the historic November 1989 "velvet revolution." But here it is again, in November 1991, two years after the victorious revolution toppling the hideous totalitarian regime. What is bringing the protesters out on the square now?

Once again I see Vaclav Havel's portraits thrust up by the protersters. Two years ago people were showing their solidarity with a fighter against communism, hovering on the brink of another arrest and another prison term. But does this dissident-turn-president need people's special support now? Who or what threatens him today? To provide answers to these questions it is necessary to explain the present Czecho-Slovak situation.

"The nation has reached a crossroads in its history"; "A crisis with an unpredictable outcome has hit the nation"; "The Motherland is in danger," warn speakers at Vaclav Square and elsewhere in the country where waves of protest have reached. The danger in question is the possibility of the disintegration of Czecho-Slovakia through the secession of Slovakia. Now the parliament of that republic is discussing a draft declaration of sovereignty. The Slovakian issue (which has a long history but has intensified and become topical only now) is a nexus of problems. I want to describe some of them here, though that would somehow narrow the readers' vision of the actual situation. The watershed between the two republics and their federation runs through diverse spheres.

**Economy.** The backlash from the economic reform hit Slovakia the hardest (incidentally, this was expected), since that republic's post-WWII industrial pattern – which emphasized large mining and processing industries – didn't fit in well with the privatization plans. It is enough to recall that four percent of the able-bodied population lost their jobs in the Czech lands, while the corresponding figure for Slovakia was almost three times higher. The economic aspect becomes one of human-suffering, a fact that, as some people in Bratislava believe, eludes comprehension by officials in Prague who relentlessly follow their abstract scheme of economic reform.

**Politics and social psychology.** If the fairy conservative Civil Democratic Party led by the reform's mastermind, Finance Minsiter Vaclav Klaus, dominates the public's sympathies in the Czech lands, then in Slovakia the public sympathizes with the left-wing parties: Movement for Democratic Slovakia, and Left-Wing Democrats' Party (rallying former Communists).

In the Czech lands, people embark on private business comparatively more eagerly, whereas in Slovakia they pin their hopes on employment by the state.

And last (but not least in its effect) there is nationalist extremism. I was to learn about a recent unveiling, in Bytca, Slovakia, of a plaque commemorating Jozef Tiso, president of the German protectorate Slovakia which existed in Hitler's times. It almost coincided with the unveiling of a plaque in Prague, commemorating a grim event of 50 years ago when the first train carrying Czechoslovak Jews was dispatched to concentration camps. Exactly 50 years ago the first trainload of victims was sent from Slovakia on Tiso's order. The Czecho-Slovak press returns with grave concern to the subject of anti-Semitism which is manifesting itself in the country both openly and otherwise. Skinheads with black arm-bands can now and then be spotted in a crowd drawn by Slovak separatists' rallies.

As I was writing this article, I heard in the radio news bulletin that a group of MPs requested an international observers mission to Slovakia to assess the situation there. The MPs believe the world is getting a distorted view of the Slovaks. Politicians say a true vision of Slovakia is possible only from Bratislava, not Prague. Indeed, according to public opinion polls as many as 69 percent of Slovenia residents favour the continuation of one Czhecho-Slovak state.

The matter is truly a tight knot of controversies, but it can be undone, given the goodwill of the parties involved. Let them have a closer look at the USSR, or Yugoslavia. Bloodshed and people's suffering in neighbouring countries will surely bring the parties to their senses.

Indeed, developments in neighbouring countries have already begun to concern them. At the recent session of parliament, Foreign Minsiter Jiri Dienstbier drew the MPs' attention to the possible changes in the Ukraine which, in his words, "is displaying increasing interest in Central Europe..., and we may well one day discover on our Eastern border a new nation with an army outstripping the Bundeswehr in numerical force..." In his message to the parliament, Deputy Minsiter of the Interior Jan Ruml mentioned "conflicts in the disintegrating Soviet empire, which

must teach us that the individuals' rights and freedoms can be guaranteed only by the existence of one army and one security service." Men and women in the street are worried as well. Movements (or "initiatives," as they are locally called) for preservation of the unified state are mushrooming in the country. The most popular initiative is led by well-known topical writer and dissident Pavel Tigrid (incidentally, a man from the president's entourage). However, I would rather tell you here about another group who call themselves the Movement for Mutual Understanding Among Czecho-Slovaks. It is headed by Vladimir Cech, a clerk at an insurance company. Speaking at a press conference, he argued that Slovakia is already a sovereign state since neither the federal president and the Federal Assembly nor the federal government can reverse decisions of the Slovak National Council. "I firmly believe that even without the controversy over Slovak sovereignty the separatists would find some other but equally 'crucial' issues to be used as a means for heightening tensions in the land." An ordinary clerk (who, incidentally, is a Slav despite his surname) seems to see things more clearly than certain politicians do: common human interests are superior to national interests (though include the latter). We know from history that a mono-ethnic state risks a slide into totalitarianism.

Despite their worries, people have lost none of their sense of humour. Students from Prague and Bratislava initiated a curious experiment. On a certain evening, everyone in favour of one state could show it by turning on house lights at a specified time. The instantaneous increase in power consumption was meant to reveal the public attitude. At the right time I peeked out and saw that it became perceptibly brighter outside. It was yet another confirmation of the result of the public opinion survey done by interview: the majority of the people in the Czech lands and Slovakia prefer to live in a unified state. What causes the tensions then?

Says President Havel: "What we are dealing with is a rift between the world of politicians and the world of common people. People are aware that something more important is at stake: democracy and the country's future. As the second anniversary of the 'velvet revolution' is drawing near, we are becoming ever more aware of the values upheld by that revolution. We are witnessing fragmentation of the country's political pattern, caused by the parochial interests of partocrats. Politicians are growing ever more oblivious to their supreme moral commitment in regard to society. We must remember that society is the source of moral values."

The rift between the politicians and the public is in fact a rift between an ideology and social morals. But, as the saying goes, coming to a precipice, some see how it could be bridged and some don't. Back in early summer, the president called a conference of leading political parties in Kromeriz, in an attempt to bridge the precipice of differences. He invited the participants to provide answers to 19 questions. The main question, about the continuation of one Czecho-Slovak state, was answered in the affirmative by the majority of the conferees, including Jan Carnogursky, head of the Slovak parliament. This drew a sigh of relief from everyone. It was surely more than a purely abstract thought from Vaclav Havel when he spoke in Copenhagen at a ceremony where he received a prestigious Sonning Prize. He said: "Politics is a sphere of human activity demanding great moral awareness... and an ability to understand others... This is an occupation for people who abhore lies."

However, cynicism in politics is still hanging on. The near concord reached in Kromeriz is therefore doubtful.

Parliament leaders of the Czech lands and Slovakia have for a long time been involved in discussions about what is to be left within the jurisdiction of the federation and what is to be delegated to the republics. But, in the words of the influential *Lidove noviny* newspaper, "problems are snowballing, and politicians think that it's all right since they are discussing the matters." The talks, however, have stalled. As many as 22 of the 88 points of the future interrepublican agreement haven't been accepted. According to Premier Marian Calfa, "after all those talks, the impression is that we are going to have a state without one postal system, one defence policy, and one foreign policy." *Lidove noviny* lays the blame for this situation on the recriminations and politicking of the Left as well as the Right.

The pesident has made several attempts to quiet down the politicians. After New York he went to Bratislava (not Prague) to mark 73 years of Czecho-Slovak statehood. He managed to stay on the platform before the public only for the necessary three minutes of a silent tribute to the memory of those who had sacrificed their lives for the sake of the Czecho-Slovak republic, before he was driven away by a hail of rotten eggs. However, he preferred to dismiss the incident with a joke: "They all missed. I make a difficult target." He pointed out that Czechs and Slovaks would be able to build a better life for themselves in the future only if they stick together, and said: "To build a democracy and ensure its viability in the future is more important than to preserve the unity of this state." The country is facing a choice between continuing as a federation and negotiating a civilized divorce. The president believes that the entire population of the country must be involved in the solution of this dilemma. He suggested that the Federal Assembly adopt an act on holding a national referendum as soon as possible, preferrably before the year is out.

The discussion of the six variants of the question to be asked in the referendum lasted for seven hours. The heated debate over the issue was televized and followed closely by the public. (By the way, though the debate was described as "heated" by the Czecho-Slovak press, it wouldn't be called that by people familiar with what sometimes happens in Moscow-seated parliaments. In fact, speakers were never cut short, MPs were not crowding by the microphone, and no one sought to confer with the chairman in private.) Still, none of the six variants was passed. Representatives of some parties even spoke against the idea of a referendum. Communists were among those against it. It is hard to see why, considering their slogans with a different implication. However, an act calling 1948–89 a "period of lack of freedom" was passed. It was yet another confirmation of the thought that politicians find it easier to judge the past than to plan for the future. But people are more concerned about the future than the past.

President Havel spoke on national TV with an appeal to the nation. He said he would soon submit for the consideration of the National Assembly several new draft laws: on the referendum procedure; expanding authority of the head of state; on conditions on which the Federal Assembly can be dissolved and new parliamentary elections held; on the structure of the supreme state body of power; and on the electoral rules. In his opinion, these laws can avert the approaching constitutional crisis and subsequent chaos. The moral context of the proposal of the new laws was even more important than the legislative initiative itself. Said Vaclav Havel: "Once I said that truth and love were going to win over lies and violence. Now I would rather expand: common sense, prudence, and responsibility will gain the upper hand over political myopia, vain pride, and willfulness."

The presidential appeal brought demonstrations to Vaclav Square and other places the following day. People came out to support President Havel, as well as the values they fought for two years ago and now feel are in jeopardy. People are protesting against willfulness, vain pride, and political myopia disguised in robes of democracy and are hailing politicians' common sense, prudence, and awareness of their responsibility.

If such ideals prevail in Czecho-Slovakia, the whole world will only stand to benefit from it.

*Inna Rudenko,*
our own correspondent
PRAGUE

# TheWorldPaper

International trade is arranged into three blocks – American, European and Southeast Asian – which will bring their member countries to prosperity. What about the countries which do not join these blocks?

# The end of geography?

International trade is the locomotive of growth, prosperity and fairness in the economy of every country. Unfortunately, this locomotive now is running on tracks that are diverging. One track is supposed to lead to freer trade for all countries through suffocatingly tedious negotiations arranged in Geneva by the General Agreement on Tariffs and Trade (GATT).

The other track is leading the world's big industrial economies into three trade blocs: the European Community's single market; the Canada-US Free Trade Agreement (FTA), which Mexico may join; and Japan and the possible reincarnation of its Co-Prosperity Sphere in East Asia. In this scenario, pity the developing country that doesn't attach itself to one of the three trading empires.

The organizers of these trade blocs are engaged in an elaborate game of "let's pretend," claiming that these groups are not harmful to free trade, faster growth and fairer outcomes. It is a charade: trade blocs are on a collision course with the prosperity-producing growth of international trade. "They have raised fears, and rightly so," says Jacques La Rosiere, governor of the Bank of France, "that these blocs-information will close themselves off from external partners."

Japan has to take a special share of the credit, or blame, for the regional-bloc trend. Japan's inscrutable domestic trade barriers and ambitious penetration of international markets lead to protectionist reactions in Europe and North America. These reactions, in turn, feed Japan's fears that the rest of the world is ganging up on it. The potential exists for a classic trade war if each of the three blocs organizes itself to defend its ramparts against the other two.

What made the world an increasingly single market was not trade, aid or alliances – not even the alliance that was so successful it dissolved its eastern rival in Europe. What happened was that, with the help of computers and reliable telecommunications, capital (because it is a form of information) could flow faster and more freely than goods.

Money is also sent across frontiers to buy things that don't move. But larger amounts of money are devoted to the buying of money itself – and playing the futures market on money.

The money exchanges that buy and sell numbers (once bits of paper, now electronic bytes) circulated US$420 billion in 1989 – 34 times the $12.4 billion paid for goods and services, what we call trade. The comparable numbers for 1980 were $94 billion and $7.6 billion. In the 1980s, money used to finance trade expanded by only 63 percent, while all foreign exchange transactions grew by 447 percent. The world economy keeps knitting itself together; the exchange of money favors a much tighter weave.

That's why nowadays it's the countries with the largest flows of information we call developed. The end of remoteness in a world of speedy computers, space satellites and global telecommunications is one of the least-heralded and most important macrotrends of this extraordinary age. The dwindling relevance of geographic regionalism bears witness to this.

In security matters, courage is quite commonly proportional to distance from the problem. In merchandise trade, the items with the most value added, such as microchips, are unlikely to be bought from suppliers that happen to be nearby. And in the sharing of facts and ideas by modern information technology, geography is almost wholly irrelevant.

Outside of Western Europe, only one geography-based organization, the Association of Southeast Asian Nations, has shown a spark of life. Those in Eastern Europe, Latin America, Africa, South Asia and in the Middle East never became major players in international affairs. Some are notably overstaffed and underemployed; one, the Communists' COMECON, has disappeared altogether.

By contrast, networks that link like-minded people wherever they are – such as the oil cartel, drug traffickers, the international community of scientists, Islamic fundamentalists and the rich nations' club called the Organization for Economic Cooperation and Development – have proved more cohesive, more durable and more influential in world affairs.

It seems overwhelmingly probable that an international public sector, regulating both trade and money, will have to be built to match the private markets for commodities, capital investment and money – none of which are much constrained by geography, all of which are global in their reach.

This economic probability is reinforced by a political imperative. The main trading economies are, by no coincidence, the world's leading democracies.

*Harlan Cleveland**
Minneapolis, USA

*Harlan Cleveland is president of the world Academy of Art and Science, author of *The Global Commons: Policy for the Planet (1990)*, former US assistant secretary of state for international organizations and former ambassador to NATO.

## Regional powerhouses reshape world

Worldwide production of goods and services will be worth about US$20 billion this year. But only a small percentage of the world's five billion people will produce, consume and trade the vast bulk of the production.

Nearly 5 percent of the world's population live in North

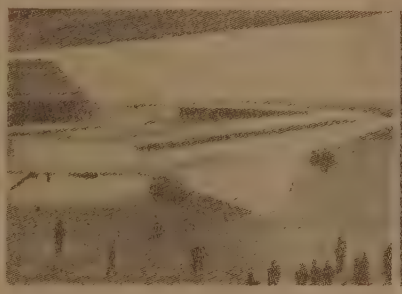
## The shrinking of the geographic world

*Turning the Atlantic Ocean into the Atlantic Straits*

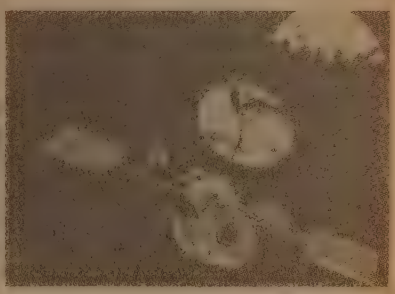
| | From | To | Time |
|---|---|---|---|
| Christopher Columbus | Palos, Spain | Watling Island, Bahamas | 70 days |
| Charles Lindbergh | New York | Paris | 33.5 hours |
| The Concorde | New York | Paris | 3.3 hours |
| Telephone call via satellite | Toronto | London | 1 second |

1492: The boldest

1927: The bravest



1978: The sleekest



1991: The quickest

America, the US, Canada and Mexico. About 6 percent live in the 12 countries of Western Europe known as the European Community (EC), and only 4 percent live in the five most-industrialized nations of Asia: Japan, South Korea, Taiwan, Hong Kong and Singapore. Yet these three regions of the world – which comprise only 15 percent of the world's population – account for 72 percent of the world's "wealth," as measured in traditional economic terms.

These three regions dominate the global economy. But the importance and power they have gained is due to the growth of investment and trade inside each region as opposed to the growth of investment and trade between each region.

Between 1980 and 1989, world trade increased an average of 3.9 percent per year. During this same period, trade between the three regions increased 4.2 percent per year. But trade internal to these regions increased by 5 percent. In the Asian region, internal trade grew at an even more impressive rate of 6 percent per year.

The EC was founded in 1957 when France, West Germany, Italy, the Netherlands, Belgium and Luxembourg signed the Treaty of Rome, which stated as its purposes the creation of a common market and progress toward European political union. It took another 29 years for six more countries – Britain, Denmark, Ireland, Greece, Spain and Portugal, at different times – to join the original six.

Despite a great deal of talk and political manoeuvring during those years, significant progress toward a truly integrated European regional economy has been made only during the past five years. The primary motivating force has been Europeans' fears that they were no longer a major economic force or global competitor. This fear hit home when, in the mid-1980s, US trade with Asia surpassed US trade with Europe for the first time.

European corporations led the charge for integration, a cause that was gradually taken up by their governments. And while it will take longer than the original 1992 target date to reach the desired level of integration, Europe has already been transformed into a region to be reckoned with.

Japanese investment in Taiwan, Thailand, China and Indonesia, to name just a few targeted countries, has skyrocketed during the past five years. The result is not a formal regional economic association, as is the case in Europe, but rather a *de facto* trade and investment bloc driven by Japanese commercial interests.

The North American Free Trade Agreement (NAFTA) is still taking shape. Even before any formal moves were initiated to remove internal trade barriers between the US, Canada and Mexico, both Canada and Mexico were sending about 75 percent of their exports to the US. Both Canada and Mexico foresee opportunities to increase their access to the US market and to US technologies, while the US sees trade and investment opportunities in Canada and Mexico.

President Bush is no doubt motivated also by an interest in stabilizing relations with Mexico, which historically have been rocky. Integration into the North American economy is likely to commit future generations of Mexicans to freer, more stable market policies.

The emergence of these three economic regions raises some interesting problems, one of which is that Africa, Latin America, the nations of South Asia and the former republics of the Soviet Union (which have operated as an internally driven regional economy), all face the danger of being left out of mainstream world economic developments.

The implication for most multinational corporations is pretty clear: they must establish a presence in each of the three regions if they want to take full advantage of growth potential.

Japan, or any alliance with Japan as a member, is in danger of being excluded to some degree by the Europeans and North Americans. Protectionist pressures are building, in spite of claims to the contrary, and the Japanese have reason to be concerned. But recent Japanese manufacturing investments in both regions are designed to reduce the likelihood that Japan will be effectively barred from them.

*Wilford H. Welch,*
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# Europe leads as model of integration

The European Community (EC) is the first major trade bloc and is far more developed than anything yet contemplated for North America or Asia. It has been growing steadily for more than 40 years and aims to achieve

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next year a 12-country common market with no internal barriers to the movement of people, money, goods and services. Members are integrating not only economically, but also politically – seeking to become a superpower in world affairs.

The EC began to take formal shape in 1952, in the aftermath of World War II. Tired of fighting each other in the name of nationalism, France and West Germany established the European Coal and Steel Community (ECSC) to pool the production and consumption of coal and steel, then seen as the foundations of economic and military power.

The assumption of the founding fathers – men such as Jean Monnet and Robert Schumann – was that countries that pooled their economic interests would end up pooling their government policies as well, putting an end to centuries of destructive rivalry. Belgium, Italy, Luxembourg and the Netherlands rapidly embraced the vision.

In 1957, "The Six," as the founding countries were known, decided to organize the European Economic Community (EC) to work toward a common market. The European Atomic Energy Community (Euratom) followed in 1958. These three communities – coal and steel, atomic energy, and the economic – were officially united on March 25, 1967, by the Treaty of Rome. This treaty established the institutional structure of the EC, which is now developing into an economic, monetary and to some extent, political community.

The original six members were joined in 1973 by Britain, Ireland and Denmark, in 1981 by Greece, and in 1986 by Spain and Portugal. As the community grew, it also moved from economic to political cooperation. The treaty rules were modified to permit majority decision making in place of unanimity in the Council of Ministers. The scope of the treaty was extended to include monetary policy, social policy, regional development and the environmental issues.

The success of the EC has attracted applications from other countries anxious to join the club: Austria, Turkey, Malta and Sweden. The integration of several countries that are now members of the European Free Trade Area (EFTA) – Austria, Norway and possibly Finland and Switzerland – could occur in the near future. Negotiations are already in progress between the EC and the EFTA countries to create a European Economic Area. The disintegration of the communist bloc in Eastern Europe and the Soviet Union is producing yet more candidates for membership in the prosperous EC; Frans Andriessen, vice president of the EC Commission, has envisaged a community of 24 countries.

But the current members are anxious not to dilute their community before they have fully achieved their common market. The solution may be to offer, for the time being, only limited associate membership to countries now queuing up at the door.

Westen Europe now represents 43.5 percent of world merchandise exports. Together with Eastern Europe and the Soviet Union, the region would account for over half of all worldwide trade.

*Jacqueline Grapin*

Paris, France

# Asia Pacific: Malaysia gets the ball rolling

Some of the newly developed economies of Asia Pacific believe it is time to start their own trade club.

The region's economies now account for roughly one-fifth of global trade, with Japan accounting for 40 percent of it. And the region has by far the largest surplus in global trade: US$86 billion compared with Europe's $6 billion. If coordinated, Asia Pacific's economies could better compete with, or complement, other trade blocs.

Last year, the subject of an Asia Pacific trade grouping gained urgency when Malaysian Prime Minister Dato' Seri Mahathir Mohamed suggested a regional alliance, including Japan, which he called the East Asian Economic Grouping (EAEG). Mahathir's proposal calls for a loose consultative grouping through which East Asian countries adopt common positions on vital trade and economic policies. However, the hope exists that the group would eventually emerge as the world's third most powerful trade group.

But opposition to the idea, led by Washington, has been unexpectedly strong. US opposition is based on the belief that the EAEG would undermine Australia's proposal for a trade alliance called the Asia Pacific Economic Community (APEC). If formed, APEC would comprise the US, Australia, New Zealand, Japan, Taiwan and the six ASEAN countries. Washington – or so it seems in Kuala Lupur – wants a body it can control.

Malaysian leaders feel that APEC lacks focus and prefer a more regional organization. Given Japan's dominant role in Southeast Asian economies, any organization without Japan included is meaningless. Indeed, Japan lobbied Malaysia in the early 1970s to take the lead in a proposal similar to Mahathir's EAEG. At the time, Malaysia was too preoccupied with putting its own house in order after an outbreak of race riots in 1969 and was not keen on the idea.

Beijing officially indicated interest and North Korea followed suit. That led Taiwan and South Korea, potential members, to give a lukewarm reaction to the proposal, with South Korea flatly stating that it would not join any organization with North Korea as a member.

Singapore backs the proposal, but is still leaning toward Australia's APEC. The Philippines gave *pro forma* support, but is obviously immersed in its own political problems. Thailand's support came with a suggestion that an ASEAN free trade zone be set up first.

The EAEG proposal was a central issue during the annual ASEAN foreign ministers' meeting held in Kuala Lumpur in July. In spite of the hard push by Malaysia, the ASEAN countries did not respond with zeal. But this was only to be expected. When the foreign ministers of Thailand, Malaysia, Singapore, Indonesia and the Philippines met in Bangkok in 1967 to form ASEAN, initial prognoses in a few capitals were not all rosy.

The governments and other directly involved have yet to discuss either APEC or EAEG in detail. So far, most of the discussion is among academics – while Mahathir struggles to keep the issue alive. Mahathir believes that a regional trade grouping, with Japan as the anchor, would ensure that Malaysia and ASEAN countries have markets outside the region. He also does not want the caucasian nations – US, Canada, Australia – to dominate Asia Pacific trade. He sees EAEG's function as primarily a regional grouping that consolidates positions vis-a-vis the non-East Asian countries. But Mahathir finds the going tough; the US is suspicious, so is Indonesia, and Japan vacillates. Washington cannot understand why another regional group is needed, and if EAEG is needed, why is the US excluded?

More important, though unstated, is Washington's fear of Japan's continued dominance in Asia Pacific. But questions about the nature of Japan's participation are not restricted to the US. And the hidden concern among proposed members of EAEG is the issue of Japanese dominance.

*M.G.G. Pillai*

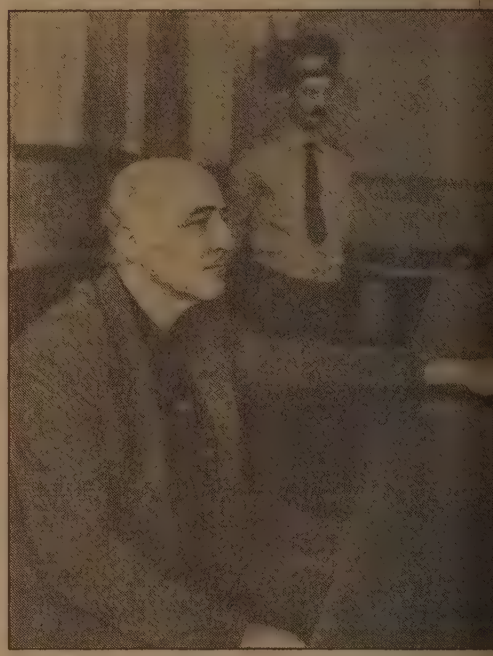
Kuala Lumpur, Malaysia

FROM THE COURTROOM

# The leader of South Ossetia in the dock

*Sergei Sigachev,*
member of the Memorial society

**On trial in the Georgian capital is the Chairman of the Supreme Soviet of the South Ossetian Soviet Democratic Republic, Torez Kulumbekov, who has been declared a prisoner of conscience by Amnesty International**



On October 16, 1990, Torez Georgiyevich Kulumbekov was elected Chairman of the Provisional Executive Committee and subsequently of the Supreme Soviet of the South Ossetian Soviet Democratic Republic.

He was arrested on January 29, 1991, during negotiations with representatives of the Georgian Ministry of the Interior and charged with rousing ethnic hatred and organizing pogroms, with abusing his official position, illegal possession and carrying of munitions (one pistol cartridge) and with attempted murder.

...The court was filled mostly with Georgian refugees from Tskhinvali. Many of them are witnesses in this trial although, of course, they are not only witnesses, but also victims of the bloody conflict in South Ossetia. The majority of them had their houses in Tskhinvali burned down and their property pillaged; their hearts are overwhelmed with hatred and fear. Take, for example, a young and very nice nurse Bortsevadze. On January 18 this year her family had to flee Tskhinvali. Her mother-in-law remained alone in their mansion. On March 30, a group of armed people burst into it, locked the elderly woman in one of the rooms and took away everything of value, including foodstuffs stored for the winter. In April, she left Tskhinvali too, after which, as affirmed by some witnesses, the rest of the property was plundered and the ground floor of the house burned.

Similar stories are told by other refugees, too. It's easy to imagine their attitude to the defendant, one of the leaders of the Osset movement. To them, Kulumbekov is the devil incarnate. "Degenerate" and "fascist" are the mildest of the epithets they chose to characterize him.

## Hanged on chains

On the days I was present at the trial two of the four charges were investigated – attempt at a deliberate murder and rousing of ethnic enmity and hatred. This is what was meant by the first of them.

On January 25, in the streets of Tskhinvali a group which came from Tbilisi and numbered four physicians and five policemen, as the indictment holds, came under gun-fire. One of the physicians was wounded in his back. After his wound was dressed he was delivered, with the help of an Osset policeman, first to a Traffic Police post and subsequently to a hospital. Some time later the rest of the group was captured by armed Ossets. The Georgians were transported from one place to another and subjected to beatings for several hours, and by the evening they were brought to the basement of a building where fate brought them face to face with Kulumbekov. At the trial all this was told by two physicians (Bekauri and Tavkhelidze) and two young people – Tavadze and Chaladze who turned out to be not policemen at all but the Afghan war veterans. They had received their arms from the Georgian Ministry of the Interior.

All of them insisted, both at the preliminary examination and at the trial, that Kulumbekov had demanded that they condemn the policy of Georgian leadership in an interview with journalists. When they refused Kulumbekov threatened: "If anything happens to you, you are to blame yourselves." Then, according to the victims, Tavadze and another person who accompanied the physicians,

A panorama of Tskhinvali as seen from the school where Torez Kulumbekov only recently worked as principal

were taken to the adjacent room where, in Kulumbekov's presence, armed people tore Tavadze's clothes and hanged him by his leg on a chain. According to Tavadze, they then threatened to burn him to death with the help of a blowtorch. He was saved from imminent death only by the arrival of the Georgian Minister of the Interior.

The whole captured group was set free and delivered to a hospital after short talks between the Minister and Kulumbekov. Such is the version of the prosecution.

Both at the preliminary investigation and at the trial Kulumbekov denied his involvement with the beating and tortures and insisted that no murder had been intended or prepared.

Besides the victims' testimonies, the prosecution has only one piece of objective evidence – a medical conclusion confirming the fact of beating. But Kulumbekov doesn't deny this, he only insists that the physicians and their guardsmen were beaten before his interference.

The victims had allegedly learnt about the intention to kill them from the conversation between the armed extremists. However, it was found that the latter had spoken in the Osset language which no one of the captured knew. Yet Chaladze said in court that Kulumbekov had spoken about the blowtorch in Russian and in the presence of the majority of those captured while Tavadze was in another room. However, the physicians from this group did not confirm this.

One more detail: in Tavadze's anamnesis filed in the court records there is no mention of traces of the chain on which he was ostensibly hung. Kulumbekov's lawyers forwarded copies of the findings of the medical expertise concerning the victims to prominent forensic medical experts in St. Petersburg. The latter found a number of discrepancies in the medical findings as well as the fact that they contradict the victims' affidavits. The lawyers pleaded that the conclusions of the experts be filed but the court refused on prosecutor Kemularia's protest.

## "I don't speak the Osset language, but I understand everything"

All witnesses who testified about the charge of "rousing ethnic enmity and hatred" were Georgian refugees from Tskhinvali. Their testimonies are reducible to the statement that Kulumbekov, when he was the principal in the secondary school No 2 in Tskhinvali, brought up his pupils in an "anti-Georgian spirit." The witnesses spoke about Kulumbekov's extremist speeches at the rallies where there were slogans like "The only good Georgian is a dead Georgian," "Not a single square metre of housing for Georgians in Tskhinvali."

Kulumbekov denies he had anything to do with such slogans.

A female refugee from Tskhinvali, a librarian by profession, said that she had been refused a job in the school No.2 because she was Georgian. Kulumbekov answered that he had known nothing about the case and that Georgians were employed in his school. The witness who had forwarded her application for the job through her relative whom she failed to identify did not remember when the case took place...

The evidence which was the most damaging to Kulumbekov was furnished by witness Gundiashvili. He told of the episode which served as a pretext for imposing the state of emergency. According to him, on December 12 last year a group of Georgians who came from Tbilisi was attacked. Two people died and the other two, one of whom was Gundiashvili's relative, were wounded and delivered to the Tskhinvali city hospital. As for Gundiashvili, he approached the place of the incident 15 minutes after the tragedy, and a short time later Kulumbekov was also there.

According to the witness, Kulumbekov addressed a group of Ossets standing nearby with the words: "I've told you that none of them should escape alive." On the evening of December 15 Gundiashvili visited his relative in the hospital and saw a group of young Ossets near him who discussed a plan of kidnapping the wounded. Kulumbekov, armed with a submachine-gun, was again nearby. As Gundiashvili asserts, Kulumbekov said: "You've failed the affair – you must redress it yourselves." The wounded managed to be evacuated with the help of police and the military...

Gundiashvili doesn't speak Ossetian but, if his words are to be trusted, understands it. He could not call any other witness although he insists that there were a lot of people there, including Georgians. And one more detail – he said nothing of the kind in the course of the preliminary inquiry! At the trial Gundiashvili explained it by his fear for his wife and children, but it was found subsequently that by the time he gave evidence his family had already been evacuated from Tskhinvali.

* * *

Both the defendant and his lawyers have, on a number of occasions, endorsed protests against the court's partiality. They believe that both the prosecutor and the court asked the witnesses and the victims leading questions. If the evidence produced by the witnesses at the preliminary investigation contradicted that furnished by them at the trial, the latter was disregarded, especially when the testimonies given at the trial were less convincing of Kulumbekov's involvement with the crimes than those obtained during the investigation. At least this is how it seemed in the eyes of a not implicated and unbiassed observer.

# "Stalin moved his fingers..."

**The closest aide of Georgy Malenkov, Stalin's heir apparent, tells about the power struggle in the Kremlin**

**New Times.** Is it right that Stalin singled out Malenkov as his successor?

**Dmitry Sukhanov.** I can certainly say so knowing the nature of relations between Stalin and Malenkov. Malenkov came to the Central Committee apparat in 1934 on the recommendation of Lazar Kaganovich who was then the First Secretary of the Moscow Party Committee and Malenkov's boss. When he was appointed chief of the leading Party cadres department, Malenkov impressed Stalin with his outstanding industriousness. In 1938, Malenkov was instructed to make a report at a Central Committee plenum and in 1941 he made a report at the 18th Party Conference. Starting in 1948, Malenkov virtually controlled the Central Committee Secretariat and in 1952 Stalin instructed him to address the 19th Party Congress with a report on behalf of the Central Committee. In 1941, Malenkov became a non-voting member of the Politburo and was promoted to full membership in 1946.

**N.T.** In other words, he became a member of the supreme leadership of this country.

**D.S.** This understanding is very widely spread but not really correct. In the postwar years Stalin changed the role of the Politburo and replaced Politburo sittings with informal meetings of chosen people at his dacha. Thus the Nine appeared, including Stalin, Beria, Voznesensky, Zhdanov, Kaganovich, Malenkov, Mikoyan, Molotov and Krushchev. There was also the Six and the Eight (in the absence of Kaganovich, or Mikoyan or Voznesensky). Such meetings, which often began at three p.m. and continued well into the night, made the most important decisions. Depending on the number of participants, the documents adopted were marked with the figures 6, 8 or 9. Malenkov participated in all such meetings, though.

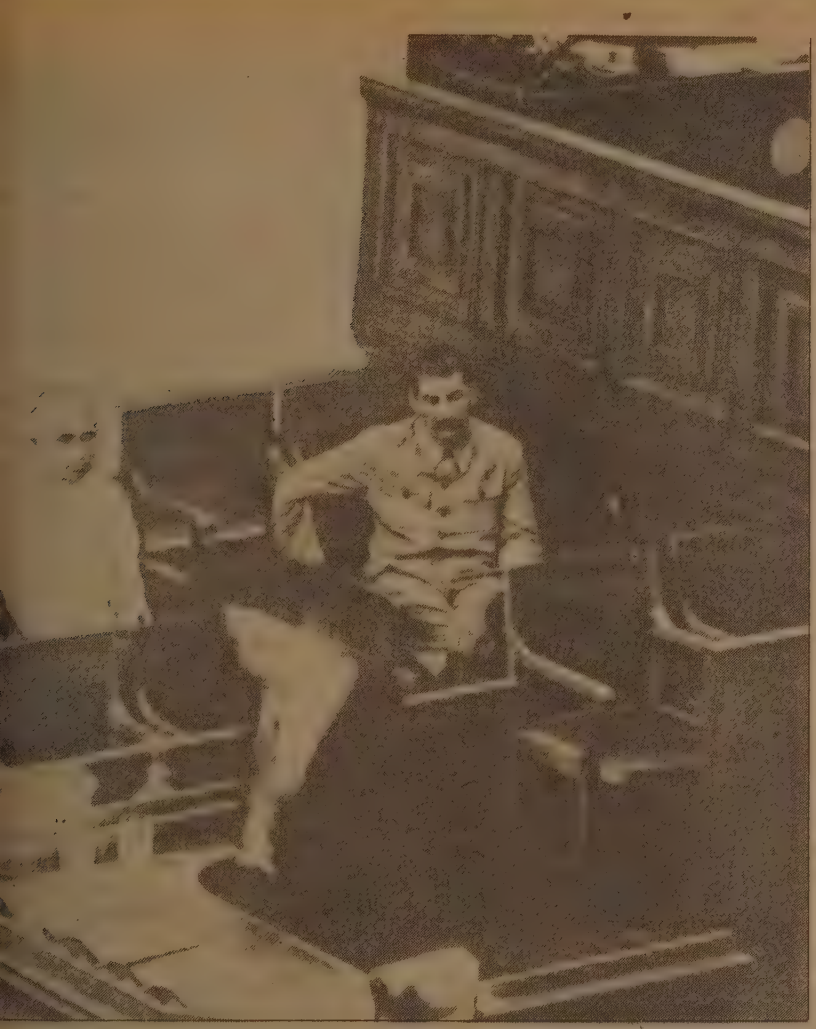
When the question of Stalin's successor was still left of Stalin. Malenkov, Zhdanov and Kalinin are in

**N.T.** Malenkov had many rivals. Why do you think Stalin selected him as his heir apparent?

**D.S.** Stalin did so because he knew about Malenkov's personal fidelity, great capabilities as an organizer and the ability to select the right people. There were other reasons as well. You know, Stalin was a despot convinced of his personal majesty. Malenkov skillfully exploited Stalin's vision of himself as a great leader. Malenkov gave Stalin to understand that the repressive bodies which had already started to dominate even the Party, might some day constitute a threat to Stalin personally. The removal of Yezhov was Malenkov's first large operation. Later, Stalin often sided with Malenkov against Beria. Stalin needed a balance of three forces: the Party, the repressive bodies and the technocracy. As a result, the role of the second man in the Party and the state was waiting for Malenkov.

When he returned from the so-called "near dacha" where Stalin lay dying on March 4, 1953, Malenkov instructed me to type the list of the supreme Party and state leadership which was to be

Dmitry Nikolayevich SUKHANOV, for many years assistant to the Secretary of the Central Committee of the All-Union Communist Party of Bolsheviks, chief of the CPSU Central Committee Chancellary and assistant to the Chairman of the Council of Ministers of the USSR, was privy to the Soviet leadership's most secret decisions by virtue of his position in the power pyramid. Dmitry Sukhanov spent twenty years working as assistant to Georgy Malenkov, which explains his likes (Malenkov) and dislikes (Khrushchev). *New Times* political observer Lev Bezymensky recently talked with Dmitry Sukhanov.



**open... The August 1938 Supreme Soviet session. Khrushchev, Beria and Shkiryatov are to the the second row**

approved at the joint sitting of the Central Committee, the Council of Ministers and the Presidium of the Supreme Soviet of the USSR.

**N.T.** What was Malenkov's own position on that list?

**D.S.** He was listed as Chairman of the Council of Ministers. Malenkov decided that it was more important to head the Soviet apparat, not the Party apparat. This mistake cost him all power later.

As for Stalin's last will, I would reproduce the following picture the way Malenkov described it to me: when members of the Central Committee Presidium gathered around the bed of the paralyzed Stalin, Stalin started to regard them attentively and moved fingers as if inviting them to come closer. Molotov was first to come up to his bed. Stalin closed his eyes showing that Molotov was not the man he wanted to come first. Beria came up second and Stalin closed his eyes once again. When Malenkov came up to him, Stalin took his hand – it was the last gesture in Stalin's life.

**N.T.** Incidentally, what do you think about the version that Molotov, Voroshilov and Kaganovich plotted to poison Stalin, and on Marsh 1, 1953, Kaganovich faced Stalin with an ultimatum in the Kremlin, and that when Stalin had a stroke and fell to the floor Kaganovich supposedly poured poison into his mouth...

**D.S.** This is nonsense if not a provocation. Kaganovich was out of Stalin's favour by the beginning of 1953 and was not received by Stalin. Besides, Stalin had a stroke when he was at his dacha, not the Kremlin.

**N.T.** How did Malenkov carry out the last will of Stalin?

**D.S.** It was a very difficult task. Actually, a coup d'état nobody noticed occurred after Stalin's death. Beria was the first to start acting against Malenkov. On March 5, Beria sent his representatives, Dekanozov and Kobulov, to Tbilisi to put an end to the so-called "Mingrel case" which could be dangerous for him.

**N.T.** What did Malenkov have to do with this case?

**D.S.** He was directly involved in it. The case of "the Mingrel nationalist group" was prepared shortly before Stalin's death by the then Minister of State Security Ignatyev who was very close to Malenkov. When he closed this case and quickly got rid of the Georgian leaders whom he did not like, Beria significantly strengthened his position. Later, Beria engineered Ignatyev's removal from the office of a Central Committee Secretary which was a serious blow at Malenkov.

It must be noted that Beria had tried this method before. In 1946, Beria orchestrated the so-called "case of the aircraft industry workers." As a result, many outstanding leaders of the aircraft industry were victimized. Beria aimed at Malenkov who had supervised the aircraft industry for a number of years. Beria wanted to get Malenkov, too, but Stalin only sacked the latter from the office of a Central Committee Secretary. Malenkov remained a Deputy Chairman of the Council of People's Commissars responsible for grain procurements in Siberia. The period of disfavour was not very long and Malenkov eventually returned to the Central Committee Secretariat.

Sensing danger from Beria, Malenkov took measures to protect himself immediately after Stalin's death. He could absolutely count on the Party apparat where many of his protégés worked. Malenkov could not trust Molotov, Kaganovich or Voroshilov, and even less, Khrushchev who sided with Beria. Malenkov assumed leadership of the Central Committee Secretariat (which used to be chaired by Khrushchev) and as the Chairman of the Council of Ministers he also took the Interior Ministry – Beria's domain – under his control. Such were the events of March 5–14, 1953.

**N.T.** What was the correlation of forces in the Kremlin?

**D.S.** The final situation was as follows: the Central Committee Presidium continued to function composed of 10 members (Malenkov, Beria, Molotov, Voroshilov, Khrushchev, Bulganin, Kaganovich, Mikoyan, Saburov, Pervukhin). Malenkov agreed to Khrushchev's election as First Secretary of the Central Committee. As I have already mentioned before, Malenkov decided to concentrate on the work in the Council of Ministers planning to carry out large-scale changes in the economic and

political life of the country. However, the threat of a new coup started looming again.

**N.T.** Do you mean Beria?

**D.S.** Not only him! After the March failure when he had to be satisfied with the offices of Central Committee Presidium member and the Interior Minister, Beria started energetically building a new coalition against Malenkov, because Malenkov relied on the Party apparat and on the armed forces. Beria's main support was the Interior Ministry apparat and its powerful repressive mechanism. State Security Minister Ignatyev told me that Beria had 11 million informers!

In the Interior Ministry Beria set up a special group "for initiative questions" headed by ministry official Mamulov. This meant that speaking at Presidium sittings Beria suddenly raised various questions which he thought were important – like the ones of the Russian language in Byelorussia, or the leaders of the Central Committee of the Ukrainian Communist Party, or the ethnic question in the Baltics thus demonstrating his interest in a broad scope of issues of state importance.

This activity could not go unnoticed, of course. Malenkov had information that Khrushchev and Bulganin had promised to support Beria. In the middle of June 1953, Malenkov got the information that Beria had planned a coup d'état for June 26.

**N.T.** But it was the day when Beria was arrested...

**D.S.** Malenkov decided to strike first and scheduled a routine sitting of the Council of Ministers for that day – not a Central Committee Secretariat or Presidium sitting, mark you. On the eve of the sitting, he summoned Khrushchev and Bulganin and told them that he was informed about their involvement in the planned coup. He warned them both that the only chance they had to save themselves was to participate in the quelling of the coup. More concretely, it meant that Bulganin was to get a group of officers handpicked by Marshal Zhukov on Malenkov's orders to the Kremlin in his car.

**N.T.** Where were you on that day?

**D.S.** As usual, I was in the Kremlin. Malenkov's office was on the second floor. There were two doors in the reception room, the one to the left led to Malenkov's office, and the one to the right, to my office. Beria's men were always in the reception room. On that day, though, officers loyal to Malenkov also arrived there.

**N.T.** Did you attend the sitting itself?

**D.S.** Of course not. My task was different: Malenkov was to press the signal button that rang the bell in my office, not the reception room. On hearing the bell I was to tell Zhukov to enter the office and arrest Beria.

**N.T.** Did Beria suspect what awaited him?

**D.S.** I do not think so, although there were attempts to warn him. After the arrest, during a search in Beria's office a sheet of blue paper was found lying on his desk with the word "danger" written three times. During the investigation Beria said it was a signal from Khrushchev and Bulganin. Everything would have been different had Beria dropped by his office before going to the sitting.

**N.T.** There is a different verison, however, according to which the word "danger" was written by Beria himself during the sitting.

**D.S.** It was a different sheet of paper. When Beria was arrested, his spectacles, belt, tie and briefcase were taken away from him. According to the procedure, participants in such sittings were not to take their briefcases from the office themselves. They gave their briefcases to the secretary on duty and later a special courier took the briefcases to their homes. I ordered that Beria's briefcase be given to me instead. When I opened it, I found a sheet of white paper with the word "danger" repeated several times. Thus, it was a different sheet of paper.

**N.T.** What happened at the sitting then?

**D.S.** As I was told later, the sitting began with Beria making a report about the coming 25th anniversary of Leningrad. Malenkov interrupted him with a question: "Did you want to stage a coup d'état, Lavrenty? How?" Malenkov suggested that Beria be put under arrest. Pervukhin and Saburov supported him. Molotov, Kaganovich and Voroshilov opposed the suggestion and Khrushchev, Bulganin and Mikoyan abstained. After that Molotov censured Malenkov accusing him of arbitrariness. It was at that moment that Malenkov pressed the button!

**N.T.** In his memoirs Khrushchev drew an entirely different picture. According to Khrushchev, Malenkov was very indecisive.

**D.S.** I am telling you first-hand information. When Zhukov started escorting Beria out of the office he suggested to Malenkov that members of the Central Committee Presidium who had conspired with Beria be arrested, too. Malenkov did not agree, hoping to turn them into allies in the coming power struggle in the Party. This suggestion which Malenkov turned down cost Zhukov dearly: the Marshal acquired a powerful enemy – Khrushchev...

**N.T.** After June of 1953 Malenkov could finally start implementing his plans. Did he have a programme?

**D.S.** In my opinion, Malenkov was free from many ideological dogmas. By modern standards he was a typical technocrat. It is known that he wanted to develop light industry, raise the living standards of the people and technologically upgrade industry. He had a long-standing conflict with Khrushchev in the sphere of agriculture. In 1951, Malenkov chaired the Politburo commission which was responsible for looking into the programme of building agrocities advanced by Khruschev. The commission turned down the programme as untimely.

In 1953, Malenkov seriously changed the taxation policy. The monetary tax was halved. In July 1953, Malenkov prepared the draft of a programme statement at the coming Central Committee plenum, but the Presidium rejected it and instructed Khrushchev to make a report instead of Malenkov.

**N.T.** What about his approaches to foreign policy?

**D.S.** Characteristically, Malenkov was the first to speak about nuclear war's suicidal effect for the whole of mankind. Later Khrushchev used that statement to accuse Malenkov of "defeatist sentiments and opportunism." Malenkov also initiated talks with Bonn on normalization of Soviet-West German relations.

**N.T.** The power struggle continued, then?

**D.S.** Exactly. Khrushchev made a very important step when he tried to ascribe the "Leningrad case" to Malenkov. Khrushchev instructed Frol Kozlov to look for documents in the archives incriminating Malenkov. The Khrushchev plan was finally ruined at the 22nd Party Congress where the real initiators of the "Leningrad case," including Zhdanov, were revealed.

Khrushchev rallied forces and allies until he was finally sure that he was powerful enough for what was actually a coup. Vacationing in the Crimea in September of 1954. Krushchev agreed with Bulganin, Mikoyan, Kozlov, Furtseva and Polyansky who visited him there on the ouster of Malenkov as Chairman of the Council of Ministers.

Starting in November all Council of Ministers documents were issued on behalf of Malenkov's would-be successor, Bulganin. In November, Malenkov was removed from chairmanship at the Central Committee Presidium sittings and the February session of the Supreme Soviet (1955) appointed him minister of power plants. After that Malenkov stopped working in his Kremlin office.

True, in February of 1957, Malenkov was once again elected to the Central Committee Presidium. However, at a Central Committee plenum in June Malenkov was called a member of the mythical "anti-Party faction" along with Molotov, Kaganovich and Shepilov. He was expelled from the the Central Committee and then from the Party as well.

**N.T.** Did you ever see that faction meet?

**D.S.** Never. They were too different, all of them, to form a faction. However, the definition of "the anti-Party faction" came down in Party history.

**N.T.** Was it one more coup?

**D.S.** I suppose you can say that. Actually, June 1957 finally sealed the results of the power struggle that had gone on ever since Stalin's death.

# Moscow doesn't pay pensions to its agents

**A former GRU resident in Stockholm tells about his best agent**

The Swedish government advisor for disarmament and personal friend of King Gustavus Adolphus, former colonel of the General Staff, Stig Erik Constans Wennerström, was arrested in Stockholm on June 20, 1963. During the investigation he admitted to having been a Moscow mole for fifteen years.

The former colonel Wennerström has served out his term and written memoirs. The former Soviet agent seems to feel bitter about Moscow which had forsaken him, despite the fact that in his time Wennerström was often compared to Kim Philby.

General **Vitaly Nikolsky**, who supervised Wennerström answers *NT*'s questions.

**Q. When were you appointed to Stockholm?**

**A.** In 1960. It was a very unexpected offer.

**Q. Where did you serve then?**

**A.** I served in the Main Intelligence Department of the Soviet General Staff (GRU).

**Q. Did you work abroad before being appointed to Sweden?**

**A.** I served in the Soviet army groups in Germany and Austria. My experience was insufficient for a military-diplomatic position. Besides, I did not speak Swedish, only German.

**Q. Soviet people rarely refuse a job abroad.**

**A.** I did. I presented all the arguments I could think of against my appointment to Sweden: it was a strange country for me, I did not speak the language and I did not know much about the people who lived there. However, it is up to the bosses to decide whom to appoint and whom to fire.

**Q. Did you meet Col. Wennerström in Stockholm?**

**A.** Yes, I did. My predecessor transferred his contacts with the colonel to me.

**Q. Did the GRU have many agents in Sweden?**

**A.** Not really. Sweden was not giving us any special headache. Practically all information about the Swedish Navy and Army was readily available from non-secret sources. We used Swedish agents in the hopes of getting the keys to NATO and US secrets. That was what we needed Wennerström for. He spent five years working as an Air Force attache in Washington, he was responsible for the procurements of planes for the Swedish Royal Air Force and, of course, had access to the latest American innovations. Later he spent four years heading the Air Force armaments section at the Swedish Defence Ministry – you can easily understand what tremendous opportunities he had...

**Q. Were you interested in Western weapons systems? Were you engaged in gathering political intelligence as well?**

**A.** Political intelligence was the field of "the neighbours," that is the KGB network.

**Q. Did you have good relations with "the neighbours"?**

**Colonel Stig Wennerström (left) and Soviet military attache Vitaly Nikolsky (right) often met at diplomatic receptions to exchange money, rolls of film and instructions**

**Colonel Oleg Penkovsky, who was easily one of the West's most valuable spies in Moscow, helped the Swedish counterintelligence expose Wennerström**
*Photo from V.Nikolsky's personal archive and from Der Spiegel (Germany)*

**A.** "Normal" would be a better word. We didn't meddle in each other's affairs and did not share information, but we knew each other's agents so as not to start recruiting people who had already been recruited by the other party.

**Q. The most dangerous moment for an agent is that of the transfer of information. Where did you usually meet Wennerström?**

**A.** We used to meet very often, twice a week in fact, at various receptions to which the military attache is always invited. In the crowd he managed to slip me the information and I slipped him new instructions from the Centre.

**Q. Were you afraid of being exposed?**

**A.** The worst I could have been in for as a diplomat was the declaration *persona non grata,* as actualy happened later. I was afraid for Wennerström who neglected the necessary precautions. During the Cuban missile crisis he phoned me in my flat in the middle of the night and said: "We've got to meet and talk." I tried to talk him into being more cautious, but he was sure no suspicion would fall on him. He used to work as a military attache in Moscow, was fluent in Russian and his contacts with Russians looked natural.

**Q. Did col. Wennerström really supply you with highly valuable information?**

**A.** But of course. At that time, for instance, our military were very much concerned about the new American HAWK missile system. We asked Wennerström to get information about it and he helped us.

**Q. Why was he found out?**

**A.** There were several reasons for his failure. In my opinion, the first factor that led to his eventual exposure was Col. Oleg Penkovsky who worked in the Soviet Military-Industrial Committee and spied for the British. The GRU transferred the information about advanced Western weapon systems we received from Wennerström to those who needed it most, i.e., Soviet arms manufacturers. Col. Penkovsky was among those who had access to this information. As far as I can guess, he finally realized that a great deal of Western military secrets were coming to us from Sweden and he informed his British contacts about it.

**Q. Is it only your guess?**

**A.** Not quite. During the Wennerström trial in Stockholm the prosecutor said the British had given some invaluable assistance to the investigation.

**Q. What about other reasons?**

**A.** In 1961 Wennerström reached the mandatory retirement age of 55. He was offered the post of a Swedish consul in Spain and I thought he was to accept it. The Centre had different ideas, though, and Wennerström remained in Stockholm. However, the Centre refused to consider the obvious fact that after retirement, Wennerström had fewer opportunities for spying and continued to give him difficult assignments. Wennerström no longer had access to the information that interested Moscow and had to acquire such information through other channels. Each of his steps could arouse suspicion. During the last year of our cooperation I stopped meeting Wennerström personally. This was the Centre's order. I think the GRU believed that the military attache should not work with the agent directly. Another man was sent from Moscow, but in Stockholm he found himself in a rather difficult situation: his low diplomatic rank often barred him from being invited to diplomatic receptions. He had to look for other ways of meeting with the agent, and this could attract the counterintelligence's attention.

**Q. Actually, the Swedish counterintelligence has not been celebrated for many significant successes, unlike MI5 or the FBI. How did the Swedes manage to expose Wennerström?**

**A.** Shortly before his arrest the Centre instructed me to arrange a meeting between Wennerström and a GRU big shot. The meeting was to be held in Helsinki, not Stockholm. Wennerström went to Finland and we had to pay the travel expenses. My colleague in Helsinki was instructed to arrange the meeting not at the GRU secret address, but at the secret address of the KGB. The GRU boss and Wennerström had a nice chat at the KGB resident's secret flat and several weeks later the KGB resident defected to the West...

**Q. Why did the Centre need this meeting at all?**

**A.** Why do Soviet bosses like to travel abroad? As far as I know the subject of the meeting was unimportant: The GRU man only expressed the Centre's gratitude for Wennerström's efforts – as if I could not do the same in Stockholm at a lesser expense for the business! The GRU promised a lot to Wennerström: a pension and even a decoration, but did not actually give him anything.

**Q. The Swedish side claims to have exposed several dozen of Soviet spies since the time of WW2 and that Wennerström was paid more than anybody else.**

**A.** We did not pay very generously by Swedish standards. As far as I knew, Stig Wennerström was not working for money's sake. He believed in the Soviet Union and thought it had to be helped. I cannot recall the exact figures now. We usually promised more than we actually did. Returning to the reasons why Wennerström was exposed and arrested, I would like to note that our characteristic habit of giving promises we know we can't keep also played a fatal role. He photographed the secret material we needed. I supplied him with special film which I got from Moscow. That type of film went under the brandname of *Shchit* (Shield) and had been designed by our secret research centre. The experts who created it reported to the intelligence leadership that if the film fell into the hand of the enemy, it would be absolutely impossible to develop. Wennerström believed in this and he did not bother to get rid of the film. When he was arrested, however, Swedish experts managed to develop the film quite quickly and the film served as a piece of irrefutable evidence against him.

**Q. In other words, the GRU is to blame for Wennerström's failure?**

# The end of

Colonel Stig Wennerström writes that he worked for the Soviet military intelligence for 14 years. However, Swedish security had started watching him even earlier. In 1941 it became interested in the young pilot's contacts with the military attaches of Germany, the USSR and the USA. After the war the Germans were out of the game, the Americans became Sweden's *de facto* allies and the Russians started attracting the Swedish security's main attention.

Counterintelligence officers calculated that in one year Wennerström's spendings exceeded his income by an impressive SKr 17,000. The cautious Russian spy did not drink or meddle with women too much, but his foreign trips, including those to US headquarters in Germany, Spain and France, which he made on GRU orders were quite expensive. The short-wave radio set, the sealed room with a safe and photo equipment in the basement, and his fre-

**A.** The GRU did not exist in a vaccuum. It was affected with the same disorders as the rest of the Soviet apparat. Once the Centre ordered me to get two klystrons – a vital piece of missile equipment which was naturally forbidden for export to socialist countries. We had to pay $ 4,000 for each klystron. At the very last moment before the shipping of the klystrons to the USSR the Centre ordered us to return one klystron which was not needed. It was impossible to return it, naturally. We had to buy the klystrons through mediators because such a deal could easily land the seller in prison. The Centre refused to heed our arguments and approve our expenses on the second klystron. The damned thing's price was my pay for two full years. Our attempts to sell the klystron to the Poles and Czechs were futile. By sheer chance I asked the Soviet trade representative in Stockholm whether any Soviet ministry was interested in buying a klystron. The representative contacted the Soviet Foreign Trade Ministry and immediately got the answer: "Send the klystron to Moscow with a courier. Take immediate action to purchase five more: klystrons are badly needed in our research institutes."

**Q. If you did not meet Wennerström during the last year of his activity, why did the Swedish authorities ask you to leave the country?**

**A.** Stig mentioned my name.

**Q. Were you very angry with him for that? After all he ruined your career in the GRU.**

**A.** I can understand how one feels behind bars. He was under suspicion for quite a long time, the evidence against him was solid and there was no use denying his ties with the GRU. The counterintelligence planted its agent in his home – she worked as a housemaid for him. The housekeeper at the nearest villa, the gardener – they were also from the counterintelligence. As far as I know from the press, he was arrested on the same day that he had photocopied important General Staff papers for us and had no time to pass the film to our man.

**Q. How did you find out that your best agent had been arrested?**

**A.** On that day I invited several military attaches to my place for a party – it was easy to give parties in Sweden. Suddenly I got a call from the Embassy ordering me to report immediately. When I arrived, the Charge D'Affaires showed me the Swedish Foreign Ministry document with the standard text asking me to leave the country for activities incompatible with my diplomatic status. The Charge D'Affaires asked me what was to be done in the circumstances. I said: "Here's 50 kronor for you. A passenger ship is sailing home tomorrow. You'll give me some flowers and kiss me goodbye tomorrow.

**Q. Did the Charge D'Affaires like the joke?**

**A.** I wouldn't say so... The 5,000-ton cargo ship *Repnino* had just entered the trade port. She was supposed to take some important cargo to the USSR. It was decided that I would leave Sweden aboard the *Repnino*. A consul was immediately attached to me.

**Q. Why? Were the Embassy people afraid that you might defect?**

**A.** Possibly. The consul took me to the port. Instead of the important cargo, the *Repnino* took me on board and immediately sailed home. I still wonder who the crew must have thought I was.

**Q. How did they meet you in the GRU?**

**A.** An inquiry was started, but there was no evidence of my personal responsibility and I got away with a reprimand.

**Q. But you were removed from active service, weren't you?**

**A.** I was appointed department chief at the academy.

**Q. Would you like to meet Stig Wennerström now?**

**A.** Yes, I think so. I always liked him and I am really sorry things went as they did.

*Interviewers* Leonid Mlechin and Tatiana Chernova

# Eagle's flight

Wennerström

quent unofficial phone-calls to the Soviet Embassy aroused suspicion but could not yet be regarded as evidence. The Swedish Defence Ministry did not trust the security people very much and suggested that the colonel be allowed to quietly retire on pension. The Moscow Centre, which wanted to see Wennerström it's chief of operations in Spain and did not know the deeper reasons for the retirement, was content with the prospect.

Wennerström, then 55, made a fatal mistake when he decided to postpone his departure to Spain for two years because of family grounds.

In Stockholm the counterintelligence was closing in on Wennerström: instead of a Defence Ministry position, the retiree was offered the post of an advisor for disarmament matters at the Swedish Foreign Ministry, where the counterintelligence could control him more easily. Wennerström started feeling that his former colleagues began shunning him, looked away and stopped talking whenever he came along.

The situation could still be repaired, because the SAPO still had no direct evidence against the suspect. Counting on his former service record, which included the US order for the strengthening of the American-Swedish military cooperation, Wennerström believed he was impervious and behaved like "a complete idiot" as he said himself. As for the GRU people, they did not suspect they were making mistakes that would later lead to Wennerström's exposure.

Nikolsky

Eagle (this name was selected for Wennerström by the Moscow Centre) also contacted the GRU officer, Georgy Baranovsky, who was officially listed as a Soviet diplomat. It was Baranovsky who was sitting next to Stig in the back row during a film showing at the Soviet Embassy and slipped him SKr 15,000 in exchange for rolls of film of top-secret documents. The day before Wennerström discovered that one roll of film was missing. It had been stolen from the secret cache by his housekeeper who was a SAPO agent. A day later, on June 20, 1963, the counterintelligence that got the desired evidence incriminating Wennerström an arrested "the greatest spy in Swedish history."

However, his contract with the GRU expired only in June 1968 when "the five years after the last contact with a representative of the Centre" had passed. Together with the contract Stig lost the right to compensation for the job done and current expenses (the figure of SKr 500,000 was mentioned at the trial), as well as the right to receive a pension in 1969. In his memoirs Stig Wennerström does not seem to feel bitter about it, and only regrets that he refused to accept a poison capsule offered him by the GRU "just in case anything happened." It is easy to believe Eagle: after the arrest he tried to kill himself by taking an overdose of sleeping pills. "There was no panic," he recalls, "only a feeling of submission and weariness. A black tunnel opened before me..."

*Alexander Polyukhov,*
our own correspondent
STOCKHOLM

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# How to make good progress

Twenty years ago, Professor Paul Hollander of the Massachusetts Institute of Technology tried to make a comparative analysis of Soviet and American societies.

A Hungarian by birth who left the country in 1956 after the quashing of the uprising there, Paul Hollander arrived at the conclusion that the values of American society are unacceptable to Soviet people to whom personal success means less than it does to Americans. In Soviet society, self-respect does not depend too much on the amount of money one makes. Hollander thinks that Soviet people are less concerned about matters of health – physical, mental, sex: "They are more stoic and less preoccupied with their precious selves." Consequently, the Russian has no need for learning ways to impress others, to always be at his best, to win respect, money and power...

## New values for a new society

## An encyclopaedia of living

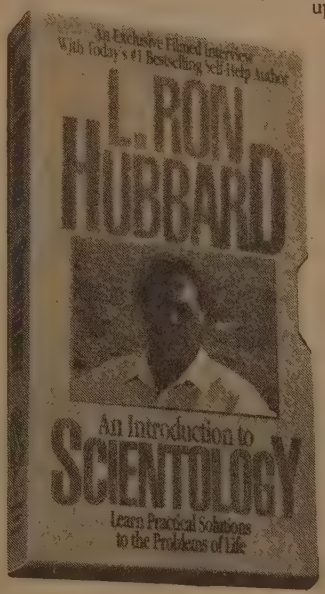
Twenty years ago, the MIT Professor could not imagine the Russian people perusing Dale Carnegie's classical work and home-bred authors' brochures on how to start a business or to get their sex life back to normal.

Before long we are going to meet another American author who has tried his hand in various spheres of activity ranging from business management and education to navigation, the cinema and philosophy.

L.Ron Hubbard started with high-adventure and science-fiction stories and novels, then took up philosophy, created the theory of Dianetics and founded the Church of Scientology which now has millions of devotees.

The books by L.Ron Hubbard, who died a few years ago, are brought out worldwide by the Denmark-based New Era publishing company. The Soviet Union is among the few countries where Hubbard still remains unknown. This gap is to be filled shortly. His books are being translated into Russian in a hurry. All of them – fiction and treatises on ways to overcome life's troubles and achieving success. The latter are guaranteed a ready market here. They are intended for failures who are agonizingly looking for a life saver.

L.Ron Hubbard takes a purely American approach to life's difficulties. Americans have ready tips on how to deal with this or that situation. The question is whether others can benefit from them.




All want to be healthy and rich. It is only the Americans, however, who believe that anyone can attain this goal if he follows expert instructions. For decades now, they have been compiling teach-yourself books in all fields and setting up courses, seminars and schools for those aspiring to self-improvement.

The motives for self-improvement may be strictly utilitarian or idealistic if the aspirant is engaged in moral, spiritual or ethical quests. Success seekers are catered to by a whole industry – book publishers, courses of study, consultants.

The output of that industry is often regarded sceptically. Serious critics maintain that ready "passports to success" are nothing but fraud intended for the credulous. Many books, courses of study and expert consultations of this kind may prove disappointing: they look banal and not worth the money spent on them.

## Celibacy, poverty, obscurity...

However, a sensible person learns a lot about various lines of business in this way, and can draw upon this useful information in his practical work.

What is the difference between a college textbook and such a teach-yourself brochure? A textbook sets forth, say, the fundamentals of accounting and trade organization. A teach-yourself brochure explains, on a popular level, how to make a deal with suppliers, what criteria to use in selecting sales clerks, and how to attract buyers.

Those who "make it" will presently become concerned with their own health and wish to make the most of life.

In our society, people lose no sleep over being gape-toothed, overweight or round-shouldered. Before very long those who do not look after themselves will discover that they have hard time getting jobs, securing promotions or winning clients. For all we can tell, one of our fashionable publications will soon name seven new mortal sins, as the American magazine *Esquire* did a quarter of a century ago: celibacy, poverty, obscurity, old age, failures, deformity, constancy.

The erotic books, newspapers and magazines, peddled near metro stations and in pedestrian underpasses cause both ridicule and indignation. This literature will soon break up into entertaining and educational sorts. The latter can well make quite a few people happy.

What about "influencing people?" Is this the art of manipulating others? Or something irrational, a kind of social hypnosis?

## Problem people

One of modern man's biggest problems is getting along with others. Being a good mixer is crucial not only to one's career – especially in the business and service spheres where one is supposed to be able to be on the right side of his partners, suppliers, clients and buyers – but to one's very life as well. A fault-finding boss may drive some of his most impressionable subordinates to suicide.

To start with, American psychologists and consultants in the management sphere drew up a list of "problem people."

**Aggressors.** These try to intimidate and suppress others. They ask unexpected and unpleasant questions, interrupt speakers and make caustic remarks. An aggressor gets mad when things fail to work out in accordance with his plan.

**Frowners.** Always silent and unresponsive. Their reaction to every question or request for help is a monosyllable or a muttered "I don't know." Nothing gladdens them. Even the prospect of a fascinating trip abroad does not change the frowner's facial expression of someone just given the boot.

**Boon companions.** A boon companion is the life of any party. Personable, merry, understanding, often very sensible, he readily agrees with you, volunteers to help, do something for you right away, get things done, but never lives up to his promises.

**Negativists.** It's useless to share new ideas with them, to ask for their cooperation in doing something interesting and unusual or in drawing up a plan for the future. They are certain to say that "this won't work," "this is impossible" or "why try in vain." They are very good at "eating away" a work collective's reserve of optimism.

**Know-it-alls.** A know-it-all is sure he knows everything there is to known. Their chief preoccupation is to compel the others to recognize their superiority. They are condescending, arrogant, and it's useless to discuss anything with them.

**Wobblers.** Postpone making a decision until someone else makes it for them. Do nothing until the decision is made. In other words, they never do anything.

What do American social psychologists, whose books are to be found in any Western bookstore, advise us about coping with our "problem colleagues?"

The "problem people" behave as they see fit primarily for the reason that they are sure no one wants to argue with them.

## Send them to a psychiatrist?

Such people should not be put up with, American experts say. It is silly to make allowances for someone having had a hard time as a child. However, it is as silly to make rows ("She's got to have her head examined!") Connivance seems tempting because it spares us bitter clashes; on the other hand, if a nasty person gets away with it, he gets nastier still. Any attempts to reform him are doomed to failure. This takes too much time and money.

Therefore, one should set himself realistic and feasible tasks only. Just learn to deal with a "problem person" and to compel him to do his job.

You should see to it that the manner of behaviour, characteristic of a "problem person," does not bring the results he expects. If you behave in a way quite surprising to him, you will stand a chance of getting your way.

For instance, how to deal with moaners who are so hard to please? Moaners should not be mixed up with those who really have cause to complain. Moaners' complaints are not altogether ungrounded, either, so it is rather difficult to recognize them at a first glance.

# L. Ron Hubbard:

Hubbard spent his childhood in the state of Montana, among real Indians. He rode unbroken horses, tried his hand in gold-digging, made friends with an Indian witch-doctor; his Montana experiences not only provided material for his adventure novels but influenced his lifestyle as well.

At 12, Hubbard joined a boy scout unit, and a year later became America's youngest Eagle Boy Scout, upon winning the right to bear, consecutively, the badges of a carpenter, a hospital attendant, a fireman, an electrician, a photoghrapher, an artist, a swimmer and an athlete.

At sixteen, he boarded a steamer in San-Francisco and left for Guam where his father served. He enjoyed the trip so much that later he spent a whole year travelling in Asia: China, Japan, the Philippines, Java. Unwilling to be a tourist, Hubbard signed up as a schooner deckhand.

Moaners feel unable to organize their lives. Whatever they succeed in they ascribe to good luck or to their superiors' kindness. They do not believe in hard work, inventiveness and abilities. Therefore, they go all out to attract the attention of those who wield real power and to compel them to listen.

The moaners are no fatalists, however. Otherwise they would have accepted things for what they really are and rolled with the tide. In order to feel unhappy, one should have his idea of happiness.

The moaners like the role they play because it allows them to look like innocent victims of circumstances or of alien will – in their own eyes, at least.

## "I have exactly fifteen minutes"

It is extremely difficult to hear out a moaner to the end. One feels like cutting a complaining moaner short with "Stop moaning, for Christ's sake!" However, it is necessary to hear him out. First of all, this is the only way to ascertain that the person in question is a real moaner, not someone really wronged. Second, it is necessary to let him let off steam, and third, to receive information essential for selecting the right course of action.

As soon as you've got the gist of the problem, you can interrupt the moaner – politely but resolutely. Never admit your guilt, never counter his charges or accuse the moaner of anything yourself, otherwise the whole thing will become a vicious circle of charges, excuses and counter-charges from which you will emerge with a headache, and the moaner, with a firm conviction that it is you who are to blame for everything.

Do not let yourself be drawn into studying the background of the problem and looking for the guilty party. Start looking for a way out immediately. In asking questions, be short and to the point, urge the moaner on. An experienced moaner will be annoyed by your attitude. Do not pay attention to that and keep asking businesslike questions: "Please answer the question I've asked you. Which option would suit you best?" Set him modest particular tasks and demand their fulfilment. Tell him to submit his complaint in writing, as soon as possible.

What if these methods fail to work? The moaner keeps moaning, and you cannot think of a constructive way to make him stop. Try to take the bull by the horns. "I've got exactly fifteen minutes. What kind of decision should I make, in your opinion? I'm open to suggestions."

This may not work immediately, either. In any case, however, the moaner will find himself out of his element. Upon satisfying himself that you are not going to hear out accusations or to accuse anyone yourself, he may stop moaning and face the need for practical thinking.

If this approach fails, there will be nothing for it but to hope that the moaner will leave you alone and look for someone else to complain to, social psychologists conclude. After all, they add, it wasn't our object to reform him.

*Leonid Mlechin*

**In the next issue: more about how to deal with "problem people" and where they come from.**

# a success story

At 19, he entered a university to major in engineering and phylsics, then became interested in the functioning of the human brain and took up psychology.

Hubbard tried many occupations. He was keen on gliding, became one of his country's best known fliers, and then organized an expedition to the Caribbean islands and to West India.

Back home, he wrote his first short story which promptly appeared in print. Fortune kept smiling on him. While other young writers were banging their heads against the wall trying to get their material published, Hubbard knocked off a story a day, all of them selling like hot cakes. His productivity as a writer depended solely on his typing speed.

He was welcomed to Hollywood, of course, where he worked on three film scripts simultaneously. While writing science fiction novels, he found time for a trip to Alaska with an expedition, for experimenting with radio location and winning an " all-oceans" yachting certificate.

The ease with which Hubbard succeeded in anything he took up led him to the conclusion that most obstacles only seem to be insurmountable. People give up trying simply because they do not know how to go about doing a job. Consequently, they need all sorts of guides, manuals and instructions. One should learn to break up a difficult task into smaller ones and to carry them out one after another. In all spheres of activity, one can work out recipes for efficiency and happiness.

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FROM THE XXth CENTURY POLITICAL THOUGHT

Introduced by *New Times* analyst **Rostislav Zolotaryov**

It's an accomplished fact at last – Bolsheviks have recreated the All-Russia Communist Party (of Bolsheviks). This historical event has been performed on the initiative of the Nina Andreyeva-headed association Unity for Leninism and Communist Ideals and a number of other organizations, including that of neo-Bolsheviks from former Union republics called Leninists' Political Association – Communist Internationale. The aim of the party to be registered shortly is to struggle against "restoration of capitalism and bourgeois elements of all shades." Class struggle once again takes priority over restoration of culture and professionalism. It's much easier to look for the reasons for all misfortunes in enemies' intrigues rather than in one's own mistakes and drawbacks; to "expropriate and divide" is simpler than to create...

Thinking over the initiatives of "workers' defenders" makes one look back at the "times and labours" of those who, in their time, without rejecting their socialist ideals, did not follow the most radical revolutionaries because they saw in their practice the "Hottentot" – cannibalistic – ethics.

These include Alexander Potresov, one of the founding fathers of the Russian Social Democratic Labour Party who later opposed and criticized Bolshevism. Our readers have already familiarized themselves a little with this author (see *NT* No 18/91).

The reasons for this breakaway lay in the collision between evolutionist and revolutionary intellect paradigms, in the type of political culture and peculiarities of emotional and psychic character. Psychologically Lenin was an overthrower, while humane and tolerant Potresov was a reformer and a creative personality. As a researcher, Lenin was possessed with subjectivism and believed that "it is better to run ahead in assessments and conclusions than lag behind," whereas the more penetrating Potresov was a consistent objectivist who tried to "grasp the logic of the events and fit his actions into it."

It was evident to Potresov that Russia suffered not from "excess of capitalism" but, on the contrary, from its underdevelopment. This was why he rejected the October revolution, for he saw the country's avoiding the impasse in Russia's further economic development through establishing normal market relations and by concerted efforts of all classes.

He considered the Bolshevik power a "counterrevolution" because the experiments carried out by them were, in his opinion, a rejection of democratic values. Therefore, Potresov deemed himself obliged to struggle against Bolshevik influence which prevented fostering elementary culture and civil responsibility in the working class movement.

The present publication is a speech made by Potresov at a public rally on October 7, 1918, at the risk of repressions on the part of the new power which began persecutions of Mensheviks as early as the spring of 1918. Potresov's speech was published in the almanac *Kultura i Svoboda* (Culture and Freedom) (Petrograd, 1918). The speech is reproduced according to this edition, now a rarity.

*Publication prepared by Valentin Manuilov, Cand. Sc. (Philosophy), Penza*

# The ethics of cannibals

## *Alexander Potresov (1869–1934)*

Just consider what has been happening in Europe for the last decade. The organized working class of every country in this part of the world has been the vanguard of struggle for civil freedoms. We all remember how the Belgian working class gained universal suffrage for its country in the 1890s. We remember how, as a repercussion of the Russian revolution of 1905, the Austrian working class gained universal suffrage for Austria. The tide of the movement for political freedoms rolled all over Europe. Nowhere in the world are these eternal values, these gigantic achievements of the old world, of bourgeois democracy rejected. Everywhere social democracy and the proletariat rightly deem themselves heirs to this legacy. The working class guards the freedoms gained while other classes and other parties, scared by popular movements, begin to invent ways to limit or cancel this universal suffrage.

...We must learn to look to the West, to really become its disciples, attentive to what has been worked up and reached there during decades and centuries of hard labour and struggle. We must follow the example set by this democratically bourgeois culture accumulated in Europe and assimilated by working people of the entire world who deservedly call themselves socialists and democrats, adherents of popular government. Our tragedy, the Russian labour movement's tragedy, its fateful position in Russian revolution is explained by the fact that the Russian labour movement, including all of us, has been fed on the absence of political freedom under the tsarist regime. Love for freedom... and struggle for elementary human rights have not become imperative for our popular masses. Our tragedy is that we have imagined that we can accomplish the greatest changes without following the thorny path tread by the European labour movement which advanced step by step onwards to the desired goal, slowly but surely consolidating its ranks and millions-strong organizations. We have believed that tomorrow, if not today, we would make the whole world happy by turning all of Russia upside down and changing everything in it. Following this line of thought, Russia's working class or, to be more precise, those who give orders in the name of the working class, have trampled down the fundamentals of democracy. This is the Russian tragedy. Nowhere in Europe has there occurred such a tragedy of the working class; everywhere in Europe, for decades, this process of gaining popular rights, human and civil rights for all who have been born in human shape, has been crowned with the efforts of the working class who have been the vanguard everywhere except Russia where universal suffrage has been cancelled on behalf of the working people. Nowhere except our country have freedom of speech, association and other freedoms been abolished in the name of the working class. Those same people who are going to erect a monument to Karl Marx have told us: "Well, we have created new and higher social forms Europe hasn't grown to appreciate." We have created the Soviet power with its foundation made mainly of separate groups, far from all, of the working class and devoid of rights are all those who don't make this Soviet Russia... This is called the Russian invention or the surpassing of what hithertofore has universally been accepted in Europe and what the entire world's proletariat has fought for. And we all know what this means; we know that precisely this principle – depriving of all rights all others except one's followers and adherents – is the basis of murder of the revolution, the basis for the oncoming reaction and, possibly, for restoration of the overthrown regime. In so doing the Soviet power

followed "the evil of the day" expressed in the motto I myself often heard in the streets "Enough of their riding on our backs, now we'll be riding on theirs!" This phrase is a denial of the democratic principle so dear to the entire world's labour movement, of the principle which has been the ABC of European Social Democracy.

Social Democracy, the working class movement is the cultured civil responsibility which says, "I do not tolerate exclusions, I bestow equal rights on whatever one is; everyone – albeit an exploiter or a 'bourgeois' – has the right to come and vote for any kind of political setup; I am not afraid of you because I know that history is on my side and that finally I will be the victor." And the labour movement in Europe has slowly approached its goal and although it has been the minority both of the population and in parliament, it still has gained strength and moved forward at a slow and steady pace, practically allowing no retreat.

And what about us? We have trampled upon this principle sanctioned by the world's cultural progress and the entire world's working class because today we manage to gain power with the help of bayonets of war-weary soldiers desirous of possessing their own land; we gained control over the country and uttered what is always uttered by savages and what is known as the "Hottentot morals" – when a Hottentot's wife is raped he says that it's bad, but if he rapes somebody else's wife he says that it's good. This "Hottentot" ethic has become our principle; we have forgotten that just because bayonets are on our side today it doesn't mean that the same will continue tomorrow. Tomorrow they may take the side of a person or persons who will trample down freedom or who won't even need to because this dirty job will already have been done for them by their predecessors.

The terror, the tragedy of the moment we are living through is that the people speaking on behalf of the working class and taking advantage of its lack of culture and education which the European proletariat has have been able, consciously or otherwise – which is of no importance, to accomplish the preparatory work for all future violators of human rights, for all future despots and dictators. When on some ill-omened day bourgeoisie or any other reactionary social element suppresses freedom in Russia and does away with the remains of the Russian revolution, it will find a "cleared field," because popular mentality lacks that psychological element which makes a person object to violation of his rights. This psychological element wasn't defended during the revolution and has been destroyed during the recent months, reduced to nought by all means; it has always been weak in Russian consciousness – now it has finally been done away with. The organ of popular representation has been dissolved and thus the bodies of local self-government which originated from universal suffrage have also been reduced to nought.

The working class movement, the world's socialist movement has never been aimed at establishing a new social order for itself, proceeding from the assumption that under the new order it will have a chance to snatch the tidbit and enslave somebody. No, the worldwide labour movement declared that it was the world's greatest cultural movement because it had concentrated in itself mankind's future emancipation, regardless of classes and social groups, from the terrible social system called capitalism which deforms everyone – both the exploiters and the exploited. So we want to liberate the whole of mankind, we want to bring it freedom and principles of equality and fraternity; we want to bring the people the earthly paradise which will be a result of a prolonged process of painful efforts. People must earn this paradise and not plunge into it the way we have recently heard from Spiridonova, a left-wing Social-Revolutionary, who has promised to establish a paradise in Russia as early as the spring of 1918. (Maria Spiridonova was one of the left-wing Social-Revolutionary leaders. – **Ed.)** Oh, we know only too well the paradise which is being introduced now, we know that the more it is introduced, the closer we draw to hell – the hell of lawlessness...

> The tragedy of Russia is that the people who speak on behalf of the working class do not represent its interests, and only use its ignorance

I am not a pessimist, I believe in the Russian working class's internal strength, I believe in the strength of popular masses of the country which has already become a luminary of world culture in many respects. A country which has a brilliant and universally recognized literary tradition, which numbers scores of revolutionary martyrs and which sacrificed itself during the entire 19th century – this country disposes of hidden forces which, as soon as they are polished by culture, will head the vanguard of Russia's and other countries' cultural movement.

I believe that the working class will still play its part and redress its wrongs, voluntary or otherwise, of the year of 1917 which consist in that freedoms were suppressed and suffrage abolished on its behalf. It will be made possible when the working class regenerates and stops being so light-heartedly self-confident and believing that it can't learn anything from Europe, but, on the contrary, when it begins to learn from it and follow it in consolidating its forces in order to progress – slowly but surely –, onwards...

...Better progress slowly but surely, in closed order, to one's final goal, absorbing all that has been achieved by science and the social forces of previous generations.

Let it be bourgeois generations and bourgeois democracy; we are not followers of the anarchist Bakunin who believed that it was possible to erect a new edifice on an empty place, having levelled everything to the ground.

No, we build on the foundation laid by our predecessors, and we pin our hopes on the sole fact that we are their followers and not Vandals and Huns; we draw our strength from the hope that some time our dreams will come true and our efforts be crowned with success. Only when the labour movement of Russia, like that in Europe, is saturated with culture, and primarily with cultured civil consciousness, as well as principles of struggle for freedom and against any kind of violation of rights and perversion of justice – only then will Russia revive and cope with all its misfortunes which lie in store for us...

These high ranking Pavlovs are a troublesome lot! The former Premier Pavlov whiles away his time in an investigation prison awaiting trial for taking part in the August putsch. Another **Pavlov – Yuri,** USSR Ambassador to Chile, last week shocked his colleagues at the Foreign Ministry on Smolenskaya Ploshchad by announcing his intention to quit his post without permission. That news came from Miami, USA, where the diplomat went to spend his leave and to see his daughter, a student at the local university. Pleading a pensionable age, Pavlov declared his resignation and his intention to begin to work in the United States as a lecturer.

Such capriciousness is at odds with the traditions of the Soviet Foreign Ministry. Especially as one could hardly expect that kind of lightmindedness from the career diplomat for whom his superiors and the Party showed much kindness, and who as early as his student days was held up as an example for his less zealous peers at Moscow State Institute of International Relations. A holder of the Stalin scholarship and a true-blue communist, he quickly climbed the rungs of the foreign policy agency's hierarchial ladder. He was the Minister-Counsellor with the USSR Embassy in Australia, deputy chief of the 2nd European Department, Ambassador to Costa Rica, chief of the 1st Latin American Department, chief of the Latin American Countries Directorate and Ambassador to Chile. One can only wish to have such a career.

So what has made the Ambassador Extraordinary and Plenipotentiary suddenly bring down the curtain on his promising career? His failing health? The tiff with Moscow? Or the rumours that reached Santiago about the coming pruning of the Foreign Ministry staff? Let us not make guesses. In *Dictionnaire des Idees Recues*, Gustave Flaubert wrote of diplomacy: "A wonderful career, although fraught with difficulties and full of mysteries."

***

The story of Margaret Mitchell's heroes does not end on the last page of the novel *Gone With the Wind*. Having read this book five times with pencil in hand, the 57-year-old American writer

**Alexandra Ripley** wrote its sequel, *Gone With the Wind – II*. The new novel titled *Scarlett* has turned out to be longer and more dramatic than the preceding book. Although there are no sex scenes in the new novel, the reading buffs are prepared to stay on vigil for nights on end to be the first to get a copy of the sequel.

The new novel by Alexandra Ripley has already been translated into 18 foreign languages and is being successfully sold in book stores of 40 countries across the world. The firm Warner Books has bought for 5 million dollars the rights to publish the book and release a film of the same name.

Although the heroes of *Scarlett* live in the 19th century, their language practically does not differ from that of contemporary Americans.

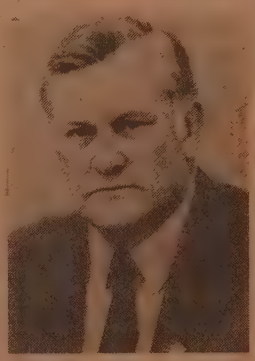
Ripley seems little perturbed that literary critics will be making hair-splitting comparisons between her heroes and Margaret Mitchell's "models": "Margaret Mitchell is a better writer, but she's dead," she replies to her opponents.

* * *

**David Matthews,** 56, President of the Kettering Foundation that was set up in the late 1920's by the American inventor of an automatic starter, Charles F.Kettering, has come to the Soviet country to take a first-hand look at the "hot pockets." The Foundation is financing the search for the solutions to fundamental political problems: the maintenance of stability in the world, the lessening of the danger of wars and the solution of ecological problems.

Matthews does not intend to teach people in this country how to solve the burning problems, he simply wants to tell them how they are tackled in the United States. For example, the authorities in US cities are not able to hire enough policemen to clear the streets of drug addicts. Who is going to help? The people. The authorities cannot make people love each other. Who is going to

## Are they going to evict Communists?



**Algirdas Brazauskas,** 59, is now living through hard times. Not long ago he was communist number one in the Lithuanian SSR who had done a lot to help the Republic achieve independence. On more than one occasion he was severely criticised in the Kremlin for his "nationalistic and separatist views." And now, without having even enough time to taste the air of freedom in independent Lithuania, Brazauskas together with his family may soon literally find themselves in the street.

In February of last year, taking advantage of the privatization of residences in Lithuania, Brazauskas bought for 37,000 rubles a 150-square metre 5-room apartment. But Vilnius City Court has ordered Brazauskas to move out of the luxurious apartment: his contract of sale with the state-run firm Daila has been declared invalid.

The Procurator General of Lithuania, A. Palauskas, has decided to bring an action against Brazauskas because by law apartments of over 130 square meters can be privatized only with the permission of the local authorities.

Brazauskas stated in court that he received the "go-ahead" for the purchase of the apartment from the Deputy Prime Minister and stated its value together with a representative of Vilnius City Executive Committee. After that the Procurator General Office withdrew its suit, but the court has pronounced the judgement: the purchase of the apartment by the Communist Brazauskas was illegal.

In Lithuania they don't rule out the probability of a wave of cases against other Communists to whom Daila has had time to sell scores of houses and apartments. They say that Lionginas Sepetys, former Central Committee secretary for ideology, who also caught it at the CPSU headquarters in Moscow for his "bourgeois nationalism" and who has bought a 240-square metre house, may become the next victim.

prevent knifings? The people. How? This is exactly where David Matthews comes to the rescue with his advice, recommendations and research.

Before he headed the Foundation, Matthews was the president of an American university (he is a historian). He was the Secretary of Health Care, Education and Social Insurance in the Ford Administration.

David Matthews is married. Both his daughters already take part in the meetings of the Foundation's Board.

* * *

**Viktor Hofmann,** 39, Chairman of the Eintracht (Concord) provincial society of German culture, proposes to give back to Russia's westernmost city the traditional German name of Königsberg and to revive the culture of East Prussia in the Kaliningrad Region.

Viktor Hofmann was born in Kazakhstan where his ancestors came from Chernigov in the beginning of the 20th century to open up new lands. After graduating from the higher trade union school of culture he received the diploma of the "cultural worker of the highest qualification" and moved to Kaliningrad where he became director of one of the cultural centers and began to look for his countrymen – Soviet Germans. The two-year-old Eintracht society already has over one thousand members.

The Society helps the citizens of Germany, who in 1945 were moved from East Prussia, to find the houses of their fathers. However, one cannot bow to their remains – out of 25 cemeteries not a single one has been left. Eintracht is working on the project of a symbolic monument to all the residents of East Prussia who have passed away. It is also restoring other architectural monuments of the past.

But money is needed for all these projects and programmes and the organization of German language courses. Hofmann decided to earn money himself by setting up the Eintracht-Ost production and commercial firm. And when, according to him, the time came "to fill in the gap between the being and the consciousness" he got himself baptized and became a deacon of the New Apostolic Church.

Hofmann says that his Eintracht society is outside politics. Although the chairman himself holds the view that the republic of Soviet Germans can be recreated only on the Volga River, it does not prevent Eintracht from giving help to those Soviet Germans who decided to move to Kaliningrad from Azerbaijan, Georgia and Kirgizia.

The Hofmanns come from a well-to-do clan of bauers from the German principality of Hessen. After visiting the native land of his ancestors and today's banking capital of Germany, Frankfurt am Main, Viktor Hofmann simply could not understand "why his ancestors were once so imprudent as to leave Germany for Russia..."

**K.Isakov**

* * *

**Vitaly Mukhin,** 38, Vice President of the Union Association of Amateur Tennis, dreams of preserving tennis for the poor. Vitaly Mukhin has in mind those who want to play, but are unable to keep up with the growing prices for equipment and tennis courts.

Created a year ago, the Association has set for itself the goal of uniting the country's tennis buffs, helping them in their "hunt" for equipment and construction of tennis courts. Mukhin also thinks about those who cannot play on the court without outside assistance. In December, he is going to hold in Voronezh a tournament for invalids. In all, the Union Association of Amateur Tennis has organized four amateur tournaments that were called The Big Necklace. The competitions have revealed a host of problems, lack of funds being the main one.

Vitaly was born in Engels, Saratov Region. He studied foreign languages at the Philological Faculty of Voronezh University. He taught English, Spanish and Latin. In the mid-80's he engaged in journalism. Eighteen months ago he became a correspondent of the *Semya* (Family) magazine for the Volga River area.

Mukhin sees the main danger for amateur tennis in "its becoming a sport for the rich because of the high prices of everything." Mukhin does not like those who try to turn amateur competitions into a way of making money either. "Amateur tennis must remain a sport for the soul and for meeting people," says he. He intends to make a prize for gentlemanly behaviour on the court and off it the main award of such tournaments.

## The magazine for Europeans

The editor-in-chief of the first European magazine *Belvedere*, **Diana Pinto,** 42, is convinced that the mentality of Europeans is a special substance that allows them to feel their community in any part of the world. For example, she is an Italian and married a Frenchman when she lived in the United States. "Europeans are closer to each other," explains madam Pinto.

These thoughts have led her to publish the European magazine *Belvedere* that has only three people on the payroll. At the same time each issue of the magazine covers the entire range of problems faced by European countries. In it one can read a Norwegian bestseller about seven Europeans on board a sinking ship, articles about Italian and Soviet mafia, Hungarian cuisine, the August putsch in Moscow, French emigrants, Greek museums and the Jewish cultural centre in Munich.

Diana's numerous friends and advisers help her find an interesting author in each country. In Russia Diana Pinto is looking for "fresh young voices with a rich cultural background and the new names in literature."

Diana's parents, Italian Jews, fled from Mussolini to the United States. But in America, neither her father, an administrator, nor her mother, a university professor, could reconcile themselves to the American model of democracy and in the end came back to Europe. Madam Pinto studied history at Harvard University, received a Doctor's degree and consequently says with conviction: "In the United States it is accepted to appeal to the future, whereas in Europe – to the past using the subjunctive mood. The power of American culture can wipe out European individualism."

In order to prevent that Diana is thinking about creating *Belvedere* clubs at the centres of European culture.

# The end of binary oppositions

**Back home, Russian emigre authors gradually come to realize that they have returned to an altogether different country, and that they have changed a lot, too**

*Michael Makin*

In the early thirties, Marina Tsvetayeva, who had lived in emigration for a decade by then, mourned the demise of the Russia of her youth in the following lines: "That country is not on the map, it no longer exists in space... The Russia of the coins minted in my early years is gone, and so am I, as I was then. It's no use looking, even with a lamp."

Russia as Marina Tsvetayeva remembered was no longer in existence, indeed.

Now, sixty years later, we are watching changes (hopefully, for the better) in Russian culture as onlookers – a peculiar kind of onlookers who wish they were "inside" – and cannot help marvelling at the paradoxes and surprises engendered by these changes.

Such is the position of a "foreign observer", of a professional Slavonic scholar.

"The "surveying rods", once driven deep into the cultural soil to stay put forever, are now drifting away so fast that no chronicler would be able to keep pace with the process, especially if he is far away from the scene.

Now it is difficult to get one's bearings. All the more so because current dis- and re-orientation inevitably involves culture which seeks to look far not only into its future but into its past as well; the past should be restored and superimposed on the present if our culture is to have any future at all.

The navigational maps with which we have been voyaging through the seas and oceans of Russian culture for so long – since World War II – are now of no use. In the meantime, many new maps are being charted either without the generally accepted system of coordinates, or along deliberately false lines.

All the above-mentioned processes have caught the Western European Slavonic scholar unawares.

Accustomed to being looked upon as the guardian of the holy fire of Russian belle-lettres, and believing that his mission in life is to say out loud what can only be whispered in Russia, he suddenly comes to realize that his oppressed brothers whose sufferings he has platonically shared are now free to say all he has been saying, sometimes more, and that they often do it better than he does.

As a result, an American Slavonic scholar now does not differ much from his colleagues specializing in Italy, Germany, and so on.

Until quite recently he, the Western Slavonic scholar, imagined himself to be a vicarious fighter against bloodthirsty Sofia Vlasyevna acting on behalf and for the sake of the humiliated and the disinherited whose Moscow (and, later, New York) apartments he had paid reverential visits to...

And now he comes across their names and writings on the pages of the all too familiar (once sickeningly familiar) magazines. To say nothing of a multitude of new magazines and papers which, amazingly, are easier to get in Moscow than in New York.

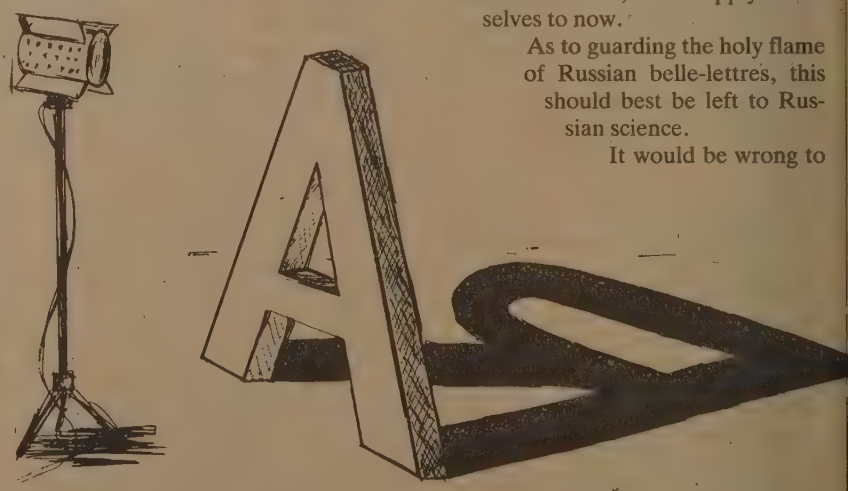
The task facing Slavonic scholars now is to take up a position in the space between cultures – Russian and, say, American – which would enable them to examine the object of research (i.e. Russian culture) in double perspective or, in other words, from two angles.

This dual process looks like this: a Slavonic scholar is supposed to interpret Russian culture in terms of his own culture. This is like literary translation when we translate from one language into another.

This is what all Western Slavonic scholars, those born in the West and the immigrants who have taken up our line of research, are to apply themselves to now.

As to guarding the holy flame of Russian belle-lettres, this should best be left to Russian science.

It would be wrong to



*Drawing by Rostislav Zolotarev*

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Professor **Michael Lawrence Makin,** an English "expatriate" in America, an Oxford graduate. Taught 19-century Russian literature. Now specializes in modern Russian culture at Michigan University. The author of books about Marina Tsvetayeva, Nikolai Klyuyev, Leskov and Timur Kibirov.

presume, however, that the Western Slavonic scholar is in no position to grasp the processes under way in today's Russia – he has inside knowledge of many of them.

Such phenomena as "declining interest in fiction," "magazines and newspapers losing regular readers," "an end to the book boom" are quite trivial and indicate normalization of the cultural process.

Despite Russian culture's alienation from the cultures of Europe and North America over the past five to six decades, the present conditions of its existence (we are not discussing its fruit here) are very quickly approaching those that exist in that product of Russian mythology – the single and indivisible "West."

Here are some indicators of this rapprochement: politics has become a concern of politicians and newspapermen, above all, not that of writers; virtually anything can be written and published (incidentally, this is not the case in some of the "Western countries"); the way a book sells is gradually becoming all but the only criterion of its popularity. Finally, the romantically tragic image of a martyr poet is becoming a thing of the past. Except, perhaps, the cases when a poet becomes a martyr of his own free will or by chance.

"The past is another country," the English say. For today's Russia, the past is another planet, at least. One of the more impressive peculiarities of the Russian cultural process has been, since the early sixties, the striving to reach that remote planet which seemed to have disappeared behind the horizon some time in the thirties. Secret "space trips" were arranged to Mandelshtam, Kharms and others (just insert any name which graced the last generation of "pre-Stalin" Russian culture).

As a matter of fact, no one has flown anywhere.

What's worse, no one has even built bridges.

This may be because the piers of that illusory bridge allegedly spanning the abyss which separates Russia's cultural present from Russia's magnificent cultural past have been miraculously erected only on one side of the abyss – this side. All such trips have been declassified over the past few years.

The cultural phenomena previously coded as "alternative," "underground," "dissident," "avant-garde" and other such nicknames of foreign provenance have been opened for public use.

Today these terms which once carried profound meaning (especially in Russia) can only be misleading, at best.

The thing is that such peculiarities well known to us as the reassessment of the role of literature and other deformations of cultural space have resulted not only from ideological pressure, but also from a heroic resistance to that pressure which has given rise to special aesthetic categories and preferences.

The environment of Russian culture has undergone changes and approached the "Western" standard.

At the same time, the said peculiarities appear to be guarantees of Russian culture remaining special, unique, "different."

Let us now turn from metaphorical "other countries" to actual ones. I mean the whereabouts of Russian emigre culture which, in the seventies and the eighties, reigned over many minds in its original homeland.

For quite a while, the culture of Russian emigration played, to a certain extent, the same role as Western Slavonic scholars did (i.e. said abroad what couldn't be said at home). By now, they have parted company.

While Western Slavonic scholars are assuming new duties (as already mentioned above), the very notion of "emigre culture" has been called into question.

This is due to the fact that this "emigre culture" has been almost fully dependent on the cultural and political system which it resisted and which it stemmed from. In such close cooperation they formed one of the pairs of "binary opposition" which were taken for granted until recently.

Today what has been published by Russian men of letters in the West in the seventies and the eighties looks as old-fashioned as what has freely appeared in Soviet official publications.

It does not matter whether that literature was "good" or "bad." What matters is that it has simply receded into the past.

Just take a look at the books offered for sale by Moscow peddlers. Their choice seems random and eclectic, but actually it represents a "model" of cultural re-integration which as a whole has a strict logic of its own. A handwritten "blurb" glued to the cover advertises a satirical tale published in the West shortly before the author's arrival there as "one string of obscenities."

The "blurb" tells the truth, on the whole, and informs us, in a tersely laconic manner, about the state of affairs in the world of Russian literature today. Whatever we think about the given book's literary merits, it has to be publicized as obscene – hopefully, not without success.

Instead of talking about emigre literature, it would be much more correct to mention the existence of individual Russian expatriate writers. People live and work outside their home country for various reasons ranging from high taxes to a dis-agreeable climate. No one in Britain seemed to mind Graham Greene and Lawrence Darrel having made their homes in countries other than Britain. Nor did anyone presume that those two writers could see the situation at home better from afar. They could see it differently but not necessarily better.

And no one at all could visualize a situation where these (or any other) authors would demand special privileges of their host countries, and insist on special respect from their compatriots.

Our example is of limited help, however. As distinct from Green, Darrell and, incidentally, from the first Russian emigre writers, the present Soviet expatriate authors stand – with very few exceptions – aloof from the literary circles of the countries they live in. And in any case, they are always focused on Russia. In this sense, they behave much like their colleagues do at home.

Again, this is neither "good", nor "bad", but characteristic of today's Russian literature on the whole. Modern emigre writers have found themselves in a strange situation.

Those of them who return to Russia as books or in corpore must agree that, as Tsvetayeva put it, "the Russia of old is no more, and neither am I, as I was then."

There is no getting away from that.

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